DOCUMENT RESUME

ED 407 959 JC 970 286

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TITLE	Impact of Culture on Business Behavior. Asian Studies Instructional Module.
INSTITUTION	Saint Louis Community Coll. at Meramec, MO.
PUB DATE	97
NOTE	70p.; For the related instructional modules, see JC 970 287-300.
PUB TYPE	Guides - Classroom - Teacher (052)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	*Asian Studies; Behavior Patterns; *Business Education; Community Colleges; *Course Content; *Cross Cultural Training; Cultural Influences; Curriculum Guides; Economics Education; Foreign Countries; Introductory Courses; Learning Modules; Two Year Colleges
IDENTIFIERS	*Asia

ABSTRACT

This curriculum outline introduces the components of a set of introductory business and business organization and management courses which aim to broaden students' awareness of the impact of Asian culture on business behavior. The first part of the outline explains the rationale for integrating Asian culture into the course, presents the general goals of the course, and lists specific student objectives. Following an introduction highlighting the impact of Japan and China on American business and China's economic growth, the outline then provides a definition of culture, cites specific examples of situations where cultural differences exist, describes four areas in which national cultures differ, explains the impact of Confucianism in Asian culture, and compares high context cultures (which rely on situational cues for meaning when communicating with another person) with low context cultures (which rely on the written and spoken word for shared meaning). Next, the outline presents hints and tips for working and doing business with Asians, followed by specific business practices in Japan and China. Finally, the influences of cultural context on such business applications as decision making, motivation and pay systems, leadership, conflict management, and human resources are explored. The bulk of the outline contains class handouts, exercises, assignments, and presentation material. (TGI)

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ED 407 959

BUSINESS/ECONOMICS

"IMPACT OF CULTURE ON BUSINESS BEHAVIOR"

Use In: Introduction to Business
and
Business Organization and Management

BY

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Asian Studies Instructional Module
St. Louis Community College at Meramec

U.S. DEPARTMENT OF EDUCATION
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IMPACT OF CULTURE ON BUSINESS BEHAVIOR
MODULE FOR ASIAN STUDIES

CLASSES: **BUS:104** **INTRODUCTION TO BUSINESS**
MGT:204 **BUSINESS ORGANIZATION AND MANAGEMENT**

NUMBER OF CLASS HOURS REQUIRED

This will vary, depending upon how much emphsis the individual instructor puts on including multicultural examples in the lecture material. This module is not designed to be presented in one section, but rather to be included in a number of different topics throughout the semester.

RATIONALE:

Students of today are living in an increasingly global marketplace, a world where nations are becoming more interdependent every year. Our students come to us from countries as diverse as Israel, China, Western Europe, Vietnam, the former Soviet Union and Japan.

I find in classes that our American students don't understand the varied cultures from which our foreign students come. Our students are typically very ethnocentric in their thinking, xenophobic in many ways, with regard to cultures vastly different from ours. Many believe that our way, the American way, is not only the best way of doing, but of thinking.

This is particularly important when discussing the differences between the American culture and the cultures of Asia, particularly Japan and China. While the importance of Japan in the Western business arena has been recognized for decades, China has only recently become a modern business force, one that is expected to grow considerably in the decades to come. The culture of Asian countries is very different from our own, and so is even less understandable to our students than the more familiar Western European cultures. Often what is not understandable is hard to accept for students.

On the other hand, it is also important for students to begin to understand that while there are indeed differences between cultures, people do share many things in common. It may be as important for us to understand how we are alike as it is to be aware of the differences and how to overcome them. In fact, an awareness of our similarities may indeed help us to overcome some of the obstacles created by our differences.

Every society organizes itself, into groups and institutions, so as to carry on work and other aspects of everyday life. A "working stiff" in japan is in many ways similar to a "working stiff" in the United States. The difference is the specific practices and the impact the company has on each of those "working stiffs"

Course content will be broadened to include a discussion of :

What is a "culture"?
How does it impact our thinking, behaving and working?
What specific areas which can be addressed?
What specifically do Americans have to do in order to create better working relationships Asians, particularly China and Japan.

General goals:

To understand the differences in culture between American and Asian societies, and to understand the impact of the those differences on working with and managing individuals from these diverse cultures.

Specific Student Objectives:

Discuss the economic importance of the Asian market
Define the meaning of culture
Identify general cultural differences between the US and Asia
Identify ways U.S. business culture differs from Japanese business culture
Identify ways U.S. business culture differs from Chinese business culture
Compare/Contrast various business management practices of US and Asia
Given specific situations, determine the best course of action for that situation.

INTRODUCTION

In 1750 it took 12 days to get a message from New York to Boston. In 1850 it took 12 hours. Today, in 12 hours we can fly from London to Tokyo, and fax a message from St. Louis to the other side of the world in 12 seconds. The world is getting smaller.

Bridgeton, Clayton, Hazelwood, Lemay, O'Fallon - these suburbs of St. Louis have at least one thing in common - their size of their population is roughly equivalent to the number of Taiwanese-Americans living in the St. Louis area: over 16,000 in early 1996. These individuals represent only a portion of the "foreign" nationals living in our area from the Pacific Rim, some of whom are in our classes, many of whom work with our students.

The size of the Asian market gives further emphasis to the growing impact of the Pacific Rim area on US business as a whole, St. Louis in particular.

From Japan: Mitsubishi Motors Corp. plans to add jobs overseas, as part of its goals of building a million cars annually outside of Japan by the year 2000. Toyota Motor Corp. has invested or is planning to invest billions of dollars in new plants in the United States, as well as in Britain and Thailand. Fujitsu, Ltd. plans to build a semiconductor plant in Oregon for $1 billion. In addition , imports into Japan are increasing at roughly 13% per year.

While the impact of Japan on American business has been well documented for years, other areas of the Pacific Rim are expected to rival the Japanese influx in the future.

The area has become America's most important trading region. Two of America's exporting powerhouses, Boeing and Microsoft, will probably do more business in Asia than in America by the year 2000. Eastern Asian countries imported $800 billion worth of goods from the US in 1995, and is experiencing a 50% annual growth rate. According to the World Bank, average living standards in East Asia and the Pacific Rim area have nearly quadrupled in recent years.

Thousands of private businessmen have turned China, statistically speaking, into a capitalist state. Entrepreneurs and small enterprises now produce more goods, employ more workers and trade more aborad than the state sector. This new class of entrepreneurs includes several "moguls" running international conglomerates which have helped make China a world leader in industries like textiles.

The mainland Chinese market is likely to make the biggest impact both nationally and locally in the short run, if for no other reason than the huge population: 1.2 billion people. Currently the U.S. represents 10.8% of the imports into China.

The Chinese market is a dichotomy for American business people. Low per capita income means people do not have much to spend. The average family earns less than $700 per year. But may urban workers get free housing and medical care, leaving some disposable income available for Kentucky Fried, Domino's and Coke.
Only one percent of Chinese households have hot running water, but 80% own televisions, according to a Gallop survey. MTV-Asia is one of the imports of Star-TV (Satellite Television Asia Region, Ltd), which is the only satellite network to reach across 38 nations in Asia and the Middle East. The network has a potential reach of 30 million households in China alone, 2.4 million in Taiwan.

General Motors is set to make an investment of $130 million in China, and is hoping to eventually make a $1 billion deal for a car-assembly plant in Shanghai. Ford Motor company , along with GM , is courting Shanghai Automotive Industry Corp, China's largest car maker. That company will choose one of the two American companies as its partner. Figure 1 shows the growth of the Chinese market alone from 1994-1996.

St. Louis' Anheuser-Busch has an 80% interest in a brewery in Wuhan, China's 5th largest city. It is the first plant for Anheuser-Busch outside the United States. The plant manager is an AB executive who was born in Taiwan, but lived for 21 years in the St. Louis area, working for AB in various positions before returning to Taiwan. (The Chinese name for Budweiser: Bai Wei, which translates into "100 magnificents.) The company has 34 wholesalers in 16 cities, and dozens of AB employees from the U.S. have been brought in to revamp the operations of the outdated Wuhan brewery.

Fleishman Hillard is a sponsor of the newly formed Chinese version of the NBA, which is a major client for F-H in China. The client list for F-H in China includes Monsanto, and Wal-Mart, two major St. Louis employers.

In fact, dozens of other St. Louis companies, including Emerson Electric McDonnell Douglas, Ralston Purina and several St. Louis law firms are scrambling for a part of China's huge market. China buys more than $50 million of Missouri exports a year, everything from corn and wheat to fried chicken batter and beef. By some estimates, a single "successful" business trip by St. Louisans in 1994 generated at least $25 million and 100 new jobs for the St. Louis economy. The state of Missouri ranks 29th in the list of states exporting to China. (1)

The aviation industry in China is growing at about 18 % per year, three times faster than in the US. In the next 15 years, China expects to buy 600-800 more jetliners, estimated at $60 billion or more. Reason enough for McDonnell Douglas to set up shop in that part of the world!

On this side of the Pacific, immigrants will make up a large percentage of the new entrants into the American labor market between now ant the next century. In fact, approximately four percent of the workforce will be Asian by the year 2005. This is America's fastest growing immigrant group, and one of its most successful. Many of these immigrants are going to school and working in the St. Louis area, and so we have come full circle. The business statistics show the importance of the market, the population statistics show the impact on the St. Louis area.

What of the Asian culture? How is it different from ours? How do we do business with people who think and act so differently from us? How do we sell to them? How do we negotiate? How do we work with them? What is different about their culture that affects our business practices? These are the areas we will explore.

CULTURE

The growing activities of multinational corporations and an increasingly diverse labor force demonstrate the interdependency of the business world. The need to understand how an organization can best manage its employees from different cultural backgrounds and deal with business firms from very different cultural and social backgrounds has never been greater. It is a matter of survival for managers to think in a global context.

Globalization of our economy and of our companies, however, challenges virtually all employees, not just managers, to become more internationally aware. As workers in the United States we will be thrust into international relations by working for foreign-owned companies, or by dealing with foreign suppliers, customers and co-workers.

How would you, as a manager, interpret the following situations?

> An Asian executive for a multinational company, transferred from Taiwan to St. Louis appears aloof and autocratic to his peers, and you just can't seem to get along with him.
>
> A West Coast bank embarks on a "friendly teller" campaign, but its Filipino female tellers won't cooperate.

If you attribute the behavior in these situations to personalities, you might describe these individuals as arrogant or unfriendly. That may be a reasonable conclusion - for an American manager or bank teller. But if you take into consideration the cultural context, you may come to a different conclusion. As it turns out, the Asian culture encourages a more distant managing style, and Filipinos associate overly friendly behavior in women with prostitution.

Understanding people means understanding their background, from which their present behavior can be explained, and future behavior predicted. Their background has provided them with a certain culture, a kind of "collective programming of the mind, which distinguishes the members of one category of people from another." The category of people may be a nation, a region or an ethnic group, women or men , old or young, or a type of business. Students need to acquire knowledge, attitudes and skills needed to function effectively in different cultural settings.

Consider this situation:

You are on a flight to Australia when the pilot says " We have some problems with the engine, and we will have to land temporarily in Papeete. What is your first impression of that culture (it is the capital of Tahiti, by the way) when you enter the airport building? It is concrete observable things like language, food and dress. However, the essence of culture is not its artifacts, mode of dress or other tangibles, but how members of the group interpret use and perceive them.

Culture is defined as " a shared set of beliefs, values and patterns of behavior common to a group of people". (2) Most cultural lessons are learned by observing and imitating role models as they go about their daily affairs. Often we are unaware that we are learning cultural lessons as we observe our parents, friends and family.

One's own culture often remains "below the surface", beneath the threshold of conscious awareness because it involves assumptions , which are taken for granted, about how we should think, act and feel. Edward T. Hall, a cultural anthropologist, puts it this way:

"Since much of culture operates outside our awareness, frequently we don't even know what we know. We unconsciously learn what to notice and what not to notice, how to divide time and space, how to walk and talk and use our bodies, how to behave as men or women, how to relate to other people, how to handle responsibility, whether experience is seen as whole or fragmented. This applies to all people. The Chinese or the Japanese.... are as unaware of their assumptions as we are of our own. We each assume that they're part of human nature." (3)

Culture is composed of many elements, such a symbols, heros, rituals and values (Overhead - determinants of culture)

Symbols are words, objects and gestures which are recognized only by "insiders". In a large sense, symbols include the entire area of language. At the level of the individual or organization, symbols include slang, modes of address, dress codes and status symbols.

Heros are real or imaginary people who serve as models for behavior within a culture. Past national heros often serve as role models in the Asian culture, for example, and provide a model for behavior both at home and work.

Rituals are collective activities that are socially essential. In organizations, rituals include how meetings are run, who can afford to be late to a meeting, and in Asian cultures include who sits where and how individuals are addressed.

Values represent the deepest level of a culture. They are broad feelings, often unconscious about what is good or bad, beautiful or ugly, normal or abnormal.

When we enter a work environment, we are usually young adults, with most of our values firmly entrenched. We will become socialized to the practices of our new work environment, but that is only in the context of the culture in which we have grown up and lived. National cultures differ mostly at the level of basic values, and affect ways of management in those countries, as well as the way of managing individuals from those countries.

NATIONAL CULTURAL DIFFERENCES

National cultures can be classified along several dimensions. In a study of employees and managers in 53 different national subsidiaries of the IBM corporation Geert Hofstede identified 4 areas in which national cultures differ:

> **Power distance**: the degree of inequality among people which the population of a country considers normal. It ranges from relatively equal to extremely unequal.
>
> **Individualism:** the degree to which people in a country have learned to act as individuals rather than as members of cohesive groups: from collectivist to individualist.
>
> **Masculinity:** the degree to which "masculine" values like assertiveness, performance, success and competition prevail over "feminine" values like the quality of life, maintaining warm personal relationships, service, caring and solidarity - from tender to tough.
>
> **Uncertainty avoidance**: the degree to which people in a country prefer structured over unstructured situations: from relatively flexible to extremely rigid.

Further research by Professor Michael Bond of the Chinese University of Hong Kong identified a fifth dimension of national cultural differences, called long-term orientation (LTO) versus "short-term orientation. Values rated positively in LTO are thrift and perseverance; values rated negatively are respect

for tradition and fulfilling expectations or "keeping up with the Joneses.

The difference between the "East" and the "West" is marked for all of these dimensions - we are virtually at the opposite ends of the scale. In fact, the highest scores on the fifth dimension are all found in East Asian countries: Hong Kong, Taiwan, Japan.

The area most often noted is the area of individualism vs collectivism.
It is an issue that affects both business and social contacts between Americans and their Asian counterparts because it impacts our behavior in so many areas of our lives.

Individualism is extreme in the United States culture. In our value system great emphasis is place upon individual achievement, and we are expected to achieve success only by our individual efforts. We expect to be successful by our own hard work, and to overcome obstacles on our own.

People in Western cultures, such as the United States, cherish their freedoms, the right to free speech, the right to protest. They value candor and directness in business. They are used to making independent decisions and taking independent action. They are eager to stand out from the crowd.

In sharp contrast to the Western emphasis on the individual, in Asia collectivist societies predominate. In fact, individualism is viewed rather negatively in countries such as China and Japan. It is a hierarchy sensitive tradition with a collectivist mentality.

In these cultures, personal goals are subordinate to group goals. The family and employment organization are the core social units. Individuals must not stand out from the crowd, and duty to the group, harmony among its members and modesty are very important. Discipline is high. When a Japanese individual confronts another person and is describing himself, he is inclined to give precedence to his company over any kind of occupation. Rather than saying " I am an accountant" or "I am a salesman", he is likely to say "I am from XYZ Publishing Group" or "I belong to the S company." One of the central values of the Japanese culture is the importance attached to group membership.

These characteristics may be part of the reason that Asians tend to pay more attention to relationships than contracts, as we will discuss later. Westerners, by contrast, pay more attention to deadlines and schedules than social protocol, and have lost deals with Asian companies as a result. Americans typically have difficulty "meshing" the two cultures, particularly when the collectivist is in conflict with the individualism.

CONFUCIANISM

This collectivist mentality has a strong historical context. Confucianism is a key ingredient of the Asian culture, and Confucian ideas are incorporated into the fabric of life in many areas of Asia.

Confucianism holds that the family unit is the root of social stability and political order and that an individual's identity is in terms of the family or group. It teaches that the human condition can be improved, that hard work and self-cultivation in the context of group achievement is one's objective and that education is the key to human development.

Much evidence of Confucian philosophy can be seen in Asian business practices.

Training and education of employees is continual (this relates to the concept of continuous improvement mentioned in other areas of the course).

Because the Asian philosophy stresses that the individual is only important as part of the group, Asians are more willing to accept their fate and their status in society. They are less inclined to seek personal recognition or reach for high status. This, coupled with the emphasis on the recognition of elders as authority figures in a family or group results in Asians making the hierarchy more important in their business dealings than Westerners.

It also explains one of the dominant forces in the Japanese economy, the *keiretsu*. These are closely interlocked, self-finances and extensively networked groups of large corporations. These groups are very competitive, and use long-term marketing strategies to break into foreign and domestic markets. The Confucian philosophy also explains the strength of the Chinese "family business" both in mainland China as well as Taiwan, Hong Kong and Singapore. The Chinese have a hard working ethic, and maintain close family ties which help to serve the successful networking of the Chinese family business.

HIGH CONTEXT/LOW CONTEXT

Another general distinction contrasts high-context and low-context cultures. Workers in multicultural settings need to know the difference if they are to communicate and interact effectively. Culture dictates how people communicate.

"Context" has to do with how much you have to know before effective communication can occur, how much shared knowledge is taken for granted. People in high-context cultures rely heavily on situational cues for meaning when communicating with another person. Nonverbal cues such as one's official position or status convey messages more powerfully than do spoken words. This is demonstrated in the importance of exchanging and *reading* business cards in

Japan, for example. Japanese and Chinese cultures are relatively high context. Nearly all communication takes place within an elaborate, vertically organized framework. Rarely do people converse without knowing or determining who is above and below them in the framework. These distinctions carry implications for the form of address, choice of words, physical distance, and demeanor. (4)

In low-context cultures such as in the United States, written and spoken words carry the burden of shared meaning. Perceptions and assumptions from nonverbal cues are double-checked verbally. To do this with a Chinese or Japanese counterpart or superior would be insulting , and would thus cause them to lose face. (How do we know how to "act" around our Asian co-workers?)

Confucian philosophy is also seen in the study of the "locus of control". Asians tend to "accept their fate" and believe they have less control over their environment that Westerners believe. While Asians have an "external" locus of control, then, many Western societies have a more internal locus of control.

This relates further to the "high ritual" vs the "low ritual" culture. In Asian cultures, which tend to be high ritual, much human interaction follows a pattern, is more structured with rigid rules of behavior. Western cultures tend to be basically low ritual. In such a society what is viewed as correct social behavior tends to be ambiguous. The dilemma of this low context culture, in contrast to the Asian culture, is that we are rarely certain of our behavioral boundaries. Each new interaction entails a degree of new ritual or pattern of behavior, which makes it difficult to cultivate lasting and solid relationships, an essential element of doing business with the Asian people.

This brings us to another essential element of the differences between the Asian and Western culture : the importance of establishing relationships. In the Asian context it is important to establish relationships first, before coming down to the specifics of a business deal. The specifics will come later, after trust has been established. In the United States, a business person will get straight to the point, get the business aspects out of the way first. Then if you are still interested, you will get to know the people you are dealing with. This was painfully apparent for a US firm competing with a Swedish company for a major Japanese contract. The Swedes had a product which was technologically inferior to the American's product. For an entire week, the Swedes "partied" with the Japanese, never discussing business, while the Americans became increasingly frustrated. On the last day, the Americans pushed for a decision. The Swedes won the contract with an "inferior" product, even though they only discussed business for one day. They knew the importance of establishing a relationship first.
(How can we use that with our Asian co-workers? How do we establish a relationship with them?)

HINTS, TIPS ON WORKING AND DOING BUSINESS WITH ASIANS
Or, how to get along better with your Asian counterparts

Asians are punctual, and consider it discourteous not to be. They do not necessarily believe that time is money. They do believe that long term relationships take time.

Start a business relationship (sales for example) with social activities. Entertainment is an integral part of doing business for the Asian businessman. (For example, after several rounds of golf, and American businessman asked his Japanese host when they were going to start doing business. The host was surprised and responded, "but we have been doing business!".)

In a sales situation, take time in a presentation, don't rush. Be patient and prepared for long delays and adjournments. Do not impose deadlines. The Japanese don't set deadlines, and you will find yourself making a concession just to meet a deadline that the Japanese won't have to make.

Think of positive ways to present an issue, don't be confrontational.

Always practice good manners. Avoid the typical American custom of being very informal, Only last names should be used when speaking with or introducing an Asian counterpart.. (Mr. Morita, for example, even with a fellow salesperson or co-worker). There is a great deal of formality and polite behavior observed in most Asian cultures. Visitors and important guests will be given a place of honor in a meeting, often facing the entrance door, or facing a host at dinner. Posture is important, and in Japan, slouching and other sloppy habits are offensive.

In making introductions, observe rankings, ie, introduce the highest ranking individual first, and continue on down the line. Don't give an "underling" as much attention as an executive.

Don't use slang with people for whom English is a second language. Slang expressions may be translated literally (for example, " where I'm coming from" may be translated as literally as your hometown, " lay your cards out on the table" may mean you're going to play cards.) Avoid jokes, because they don't understand them. Don't talk loudly. Use neutral examples, and avoid using too many American cultural examples and terms, such as references to football or baseball.

It is especially important not to interrupt. This is considered very rude. While in the United States interrupting means to begin talking before someone else is through, in Asia you may be interrupting if you begin talking too soon after the individual is finished. There are often silences when talking with Asians, and these silences are uncomfortable for Americans. It may mean that the Asian is

contemplating what you are saying and formulating an appropriate response. Don't try to fill in those silences! Sometimes silence is used to unnerve Americans and to get them to give in on negotiating points. During those times, lift your head a bit and stare into the space above your counterpart's head as though you are contemplating.

When an Asian doesn't understand what your are saying they may laugh. It could be an embarrassed response when they don't understand your point, or if they simply don't want to respond. Laughter does not always mean amusement.

In terms of body language, pointing with a finger is considered rude, as are challenging gestures, such as hands on hips or waving a fist. Asians often use the thumb with fingers clenched below it to point at something. Whistling or snapping your finger to get the attention of someone is also rude (just as it is here in the United States).

Pointing a toe or exposing the sole of your shoe toward another person is also considered rude.

Casual body contact is generally unacceptable. Do not clap an Asian person on the back or pat him on the shoulder. Especially offensive is touching a person on the head. Shaking hands is a far as you should go.

Even colors play different roles in our cultures. Red and gold are good luck colors in China, so you can be safe in using or wearing those colors when dealing with the Chinese. However, in Japan, red is associated with severing relationships and the Japanese use red ink for death notices! Black is avoided in most Asian counties because of its association with death, similar to the U.S. But in Japan, white is avoided for the same reason.

JAPAN

Why do you listen to a walkman, or portable tape player? So that you can listen to music without other people disturbing you?

The chairman of the Sony Corporation, Mr. Morita, conceived of the Sony Walkman because he loves classical music, and wanted a way of listening to it without disturbing other commuters on his way to work. The Walkman was a way of not imposing on the outside world, of being in harmony with the outside world.

In Tokyo, you may see many people wearing face masks over their noses and mouths, especially in winter. When you ask why, you are told that when people have a cold or a virus, they wear the masks so they won't infect or pollute other

people by breathing on them. In New York, masks are worn by bikers and other athletes who don't want to be polluted by the environment.

These two stories illustrate an essential difference between the Japanese and Western mentality. The importance of harmony with the outside world, of maintaining harmony with those around you (an essential element of the collectivist mentality) can be traced back to the Confucian roots discussed earlier.

Business practices will vary from one country to another. Some of the following are areas which are particular to the Japanese culture and general business practices.

Greetings

Japanese greet each other with a bow, the lower the bow the more respectful the greeting. They don't shake hands normally, but in business circles, they will with Americans. Americans normally can combine a bow and a handshake when meeting a Japanese, the bow coming first. Shake hands lightly, not firmly. Many Japanese dislike even this Western gesture, and will only give you a limp handshake at best. (How does that compare to our tradition of a strong handshake?)

Business cards

Business cards are very important, and are always exchanged on first meeting. They are presented with a degree of ceremony, with the print facing the person to whom the card is being presented, preferable with both hands, never in an offhanded manner. When you receive a business card from a Japanese, you should study it for a minute, and give a nod of acknowledgment.

Names and titles

Titles are not used in addressing the Japanese. Instead people are addressed by their family names, which appear last when written, and the suffix "-san" is added to the end of the name, as in "Mori-san". This is true for men and women. First names are never used, except between very good friends.

Americans will be tempted to address Japanese friends by their first names, but they should not do so, using instead the "san" or "Mr." "Dr." or "Mrs" as appropriate.

"Face to face"

An American will expect to look someone in the eye when speaking, and not doing so indicates to the American that there is something "shifty" going on! Just the

opposite is true of the Japanese. Japanese executives cannot help regarding the "forthright" American tactic of eye-to-eye conversation as impolite and insensitive.

Another difference is the inscrutable Asian facade. Americans will sometimes feel uncomfortable because they cannot tell where they stand with an Asian counterpart because the Japanese will hide their feelings behind a poker face. There are a number of explanations for the "straight face." The person you are speaking with may not understand what you are saying, or they may disagree with you, but would not say so because they don't want you to lose face.

Along these same lines, frequent compliments make a Japanese person uncomfortable. They don't like to be singled out from the group. (Remember earlier discussions about the Asian collectivist philosophy). Don't comment on a Japanese co-worker's appearance, as again, it distinguishes the individual from the group.

Body language

Japanese prefer more personal space than Americans do. As was mentioned earlier, don't touch, pat or put a friendly arm around a Japanese co-worker.

Japanese smile or laugh not only when they're happy, but also when they're apologetic, embarrassed, sad or angry. Smiles often mask intense feelings, and don't necessarily mean a matter isn't being taken seriously.

When you sit in a chair with a Japanese person, sit erect with both feet on the floor. You can cross your legs either at the ankles or with one knee directly over the other. Don't show the sole of your shoe. This is considered to be impolite.

"Just say no!"

In the spirit of maintaining harmony, the Japanese tradition is to avoid a direct "no" at any cost. Saying no or flatly refusing a request will cause you (or your Japanese counterpart) to lose face. They may ask a counter question, promise an answer at a later day, change the subject, ask for " a while to think this over" or even just leave a room! Another response is no response at all, a dead silence. This, of course, drives Americans up the wall! Just be patient, and if you " hear" that silence, wait, and then ask another, different question.

Time

Japanese are very conscious of time and expect people to be punctual for appointments.

When you are first meeting a Japanese business counterpart, don't bring up business. Talk about hobbies, golf, sports and other non-personal topics.

In general, it is important to remember that the Japanese, as well as other Asians value harmony with each other and the universe. They value membership in a group, and don't like to be singled out. To earn respect from a Japanese counterpart, be quiet and modest. The Japanese don't like to work with assertive, direct, loud "go-getters." Always be polite, and respect their particular way of greeting and conversing with others.

CHINA

While the Japanese culture has historically been influenced by the Chinese, the countries have developed differently, and their cultures differ in a number of areas. Mainland China, as discussed earlier, is expected to become a major market for Western companies, and the number of Chinese immigrants in the St. Louis area is increasing.

Meetings

Meetings with your Chinese counterparts should be arranged well in advance and punctuality is important to the Chinese. Arriving late is very rude.

Meetings will begin with tea and conversation. In the interest of developing a relationship with your counterparts, business should wait until later.

Greeting

When you greet someone, a nod or slight bow will suffice, but shaking hands is now common in business settings. Many Chinese prefer not to even shake hands and would rather give a moderate bow. Their personal space is often wider than that of Americans.

Always greet the oldest or most senior person first, and if you are with a group, the eldest or senior person should head a line. The senior people will greet each other first.

Business Cards

Always have business cards, as they are very important in introductions. They should always be presented with both hands.

Names and Titles

The surname always comes first in China, an indication of the cultural importance of the family. Mao Zedong's last name was "Mao".

Titles are important in China, and Americans should use titles when addressing the Chinese in a formal setting. At work, for example, when addressing Manager of Production Li Qing, one should say, Manager Li. In a social setting, Mr. Li will do. Only close friends and family members will call each other by their first names.

Most Chinese women by the way, keep their maiden manes when they marry, and only indicate their marital status by using the title Madam. It's acceptable in English to use Mrs. Sometimes the Chinese will address foreign women, no matter what their marital status by the first names, e.g. Miss Linda.

"Face to face"

As is true with the Japanese, the Chinese consider that holding the direct gaze of another person is rude and disrespectful. In business situations, the Chinese like more space than Americans, and generally dislike touching especially by people they don't know. They will prefer a smile to a pat on the back or similar gesture.

Along the lines of "body language", the Chinese point with an open hand, rather than with one finger, and they beckon someone with the hand facing palm down.

Saving face

Chinese values are based on human feelings. they feel it is important to never put someone in the position of having to admit a mistake or failure and to never criticize or ridicule what someone is doing. To save face, a Chinese might withhold information, avoid commitments , cover up or just do nothing.

It's important to ask questions in a straightforward manner and to make sure the other person understands, as the Chinese do not like to admit to a lack of understanding. Conversely, if you admit to not understanding, you will lose face, and the Chinese will not longer do business with you.

Just say no!

Along the same vein, frankness is not appreciate by the Chinese, and direct questioning is seen as rude. Negative answers are avoided, as they cause loss of face, and create disharmony. The Chinese believe that politeness is more important than frankness, and so instead of saying "no" will say something like "I'll see what I can do" which usually means no, but leaves things open.
Conversely, the Chinese may not or say "yes" only to indicate they are listening to what you are saying. They are not indicating agreement with you.

BUSINESS APPLICATIONS

In this section, we will discuss some of the topics specific to Management that are influenced by the cultural context.

Earlier, we discussed the collectivist mentality of the Asian culture. This concept affects decision making, motivation, pay systems and leadership styles conflict management and human resources issues .

Decision making

Decision making typically takes much longer than in Western cultures. There is a sustained effort to win over everyone to achieve consensus.

There are cultural differences in each of the five steps of decision making: problem recognition, information search, developing alternatives, choosing an alternative and implementing.

Problem recognition: Asian managers are culturally "problem accepter", or situation accepter, who tend to accept fate as a significant variable in managing. American managers are "problem solvers" and are likely to recognize a problem before their Asian counterparts would choose to recognize it.

Information search: Westerners will use their senses to gather information and facts about a situation and use more deductive reasoning.
Asians are more intuitive.

Developing alternatives: Westerners tend to be more future oriented and will generate "new" alternatives. As Asians have a long history, they are more "past oriented" and often search for a historical precedent.

Choosing and implementing: In Western cultures, we will ask for a vote, often, before choosing an alternative, as a surface way of gaining consensus, and to get everyone pointed in the same direction. However, we will often revert back to our original orientation. Asians will intuitively refrain from voting, because this will

not show respect to the individuals who are against the majority decision. They will prefer to deliberate until consensus is achieved. The final result is than the decision takes longer to achieve, but will be much more stable. In Western systems, because the consensus was not truly achieved, the time saved in decision making is often followed by significant delays due to implementation problems.

Motivation/Pay systems

Promotions for recognized achievements and pay for performance programs are less effective with Asians, because they assume the individual seeks to be set apart from the group, and that their colleagues approve of this. It also assumes that the contribution of any one individual is easily distinguishable, and that no problems arise from singling out an individual for praise.

One overriding aspect of the Asian culture is the importance of belonging to the group. Any systems that reward you for standing out from the group will be ineffective. Employees will not accept that individual members of the groups should excel in a way that reveals the shortcomings of the other members. The Asian definition of an outstanding individual is one who benefits those closest to him. A promotion as a reward for hard work may be detrimental to employee's performance, as harmony, highly cherished, may be disturbed between the promoted person and his colleagues.

Pay for performance systems also imply that an individual is solely responsible for what they have accomplished, even though they may have had help from co-workers or supervisors. To an Asian, to claim most or all reward for yourself denies the importance of relationships with superiors and peers with whom you have worked, and who may have inspired or instructed you. Americans, on the other hand, usually see success as contingent upon their own efforts.

Leadership

There is an interesting dichotomy in terms of leadership in the Asian culture. Because of the importance on status, the leadership systems tend to be more authoritarian, even in the face of consultative decision making.. The higher the manager the more status, the more respect he commands, and to disagree would be disloyal. Leaders are expected to lead, and employees are uncomfortable with being delegated even discretionary decision making. In terms of Maslow, McGregor and Herzberg, security motivates more than self-actualization, and Asian workers prefer to be directed.

A comparison of McGregor's "X" "Y", Lickert's Systems 1 - 4 and the Managerial Grid, would put American and Asian workers on opposite ends of each scale. Asian systems have both extremes, however, with the most authoritarian leadership styles, (because of the emphasis put on status and respect for

superiors),but the most democratic group decision making (because of the desire to maintain harmony among the group members.)

Other attitude differences can be seen on the overheads showing responses to a variety of questions asked of workers in the United States, Japan and a number of other countries.

Chinese management systems in particular tend maintain the authoritative position, and keep tight control of information. Subordinates are dependent upon owners for information, and there is a large "power distance" maintained between the managers and the subordinates. Major decisions are made by owners and upper management, and there is limited delegation of power.

Conflict Management

As could be expected, Asians will avoid direct and open conflict. When it does break out, they will use authority to suppress the conflict, or settle things in private. In American companies managers are used to confronting problems directly and bringing things out in the open.

Human Resources

In keeping with the Asian emphasis on collectivism, upper level executives aren't paid the extremely high salaries we often see in corporate America. This reflects the importance of harmony, and the essence of remaining a part of the group, of not setting oneself apart.

Analysis of the selection process (part of the Human Resources Management area) would highlight further differences. For example, during the interview process, a job candidate may not look their interviewer in the eye, believing it to be a sign of respect. The Western employer may find this disconcerting, and wonder if the Asian had something to hide!

FOOTNOTES

1. St. Louis Post Dispatch, January 21, 1996. Article entitled "Gateway to the East."

2. Scheremerhorn, Management, 5th ed. Wiley Publishing, p. 92

3. Organizational Behavior, International OB: Managing across cultures Irwin Multimedia Business Reference Library, CD Rom

4. Organizational Behavior, International OB: Managing across cultures Irwin Multimedia Business Reference Library, CD Rom

The following exercises are designed to stimulate awareness of cultural differences. They are only suggestions!

1. Have the students draw a map of the United States, showing the boundaries of their home state. Then, have them do the same for China, Japan (or any other part of the world you are trying to highlight). They will find it easier to draw their own country, obviously, and this may get them started thinking about how little they know about other areas of the world.

2. Have the students write their name 5 times with their regular writing hand. Then, change hands, and do the same thing. Unless they're ambidextrous, it will feel uncomfortable, awkward and maybe frustrating. When they are dealing with someone from another culture, this is what they may feel, as well as the other person. Something familiar to you suddenly feels unfamiliar.

3. Place students in two teams at opposite ends of a room. They are to imagine that they have been in a nuclear holocaust, and that they must build a new culture with whatever tools and information they have available to them as a group. In other words, the only skills and information they have is what each member of the group has. They will have to solve basic questions of health, ethics, power, family situations. Neither team is " aware" that the other "exists". After a short while, one group will receive information that the second group will "exists", and the two groups must join to make a joint plan to rebuild society. You will begin to see distrust of one another, even people they have been in class with for a semester. What you can explain is that we often have bad feelings about anyone who is not "one of us". We develop stereotypes, most of which are negative.

4. The same exercise can be reworked. The students must imagine they are stranded on a desert island, lost at sea, in a plane crash or some other situation. They are given certain tools or items with which to work. (I have lists available) They will then be joined by the second group, and must plan an escape from the situation.

5. Consider the following descriptions of two employees working in the same organization;

Stan is 55 years old. He is a college graduate and is a vice president. He is a second-generation Polish-American and a practicing Roman Catholic. His two children are married, and they have children of their own. His wife does volunteer work is very active in the church. He is in excellent physical health and likes to golf and play racquetball.

Maria is a 30-year old Asian clerical worker. She is active in a local group, Asians for Unity, and is a single parent. She has two children under the age of 10. She completed high school after moving to the United States and has just begun to attend evening classes at Meramec Community College. Maria is a practicing Buddhist. Although her health is excellent, one of her children is developmentally disabled.

Based on this information, answer the following questions:

1. To what extent are Stan and Maria's goals, needs and priorities similar and dissimilar?

2. Which employee would prefer the following benefits?

    a. On-site day care
    b. A fitness center
    c. Tuition reimbursement
    d. An executive bonus plan
    e. A rigorous affirmative action plan
    f. Enhanced retirement benefits
    g. Supervisory training
    h. Financial aid for special education
    i. Corporate membership in a golf club

OVERHEADS, GRAPHS , CHARTS, PHOTOS*

***Please see appendix**

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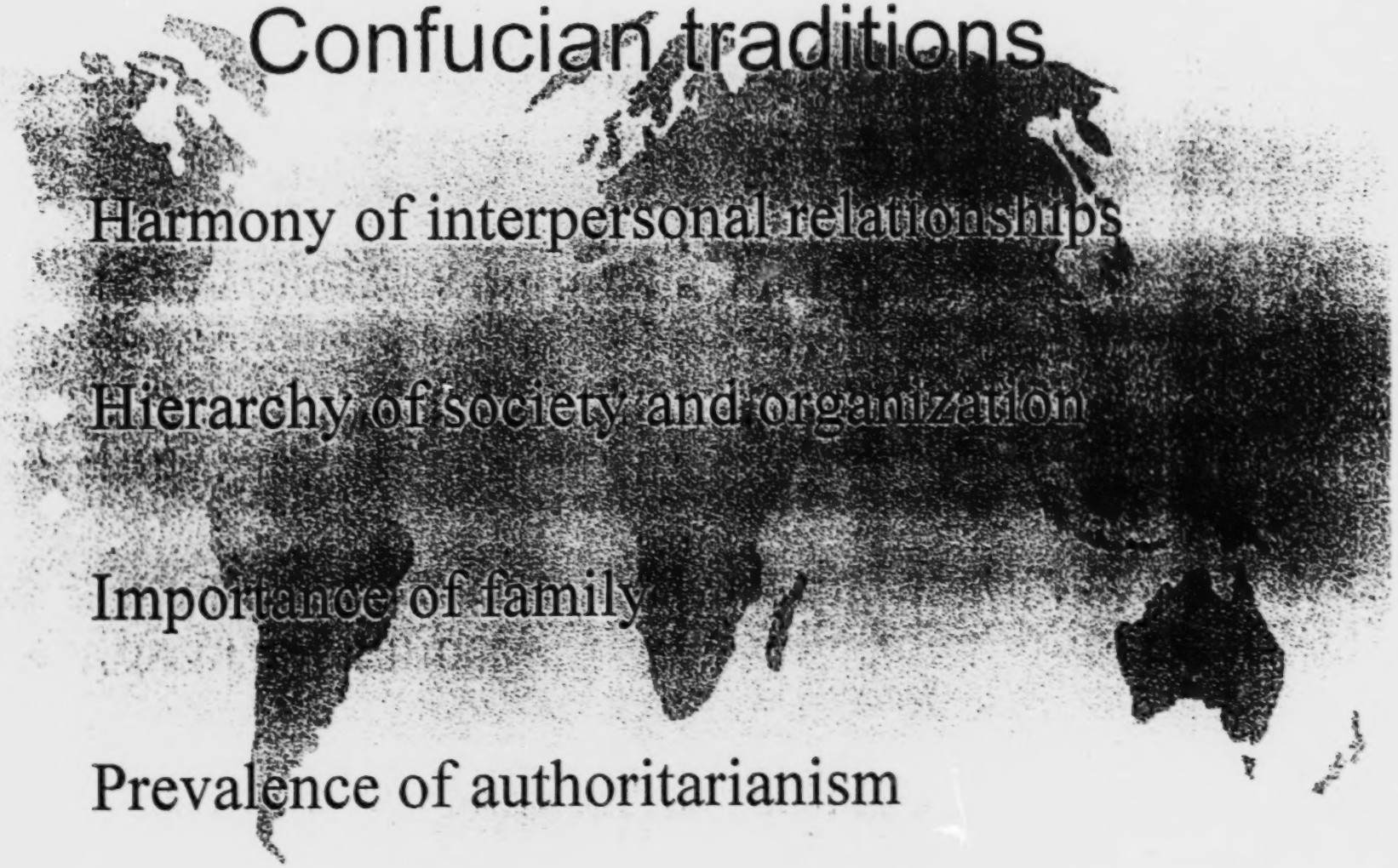
Confucian traditions



Harmony of interpersonal relationships

Hierarchy of society and organization

Importance of family

Prevalence of authoritarianism

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National Cultural Differences

- Power Distance
- Individualism
- Masculinity
- Uncertainty Avoidance

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APPENDIX

Most of the overheads and many of the class exercises are not included on the disk which was handed in with the module. This includes the pre-testing instruments. All the items not on the disk are included here as appendix items.

PRE-TESTING INSTRUMENTS

n J. Hammond, Ph.D.
gh Valley State College
em, UT

Learning Cross-cultural Relationship Skills

FOR SUCCESS™
March 1996

Communication

Listen, Clarify, Feedback, Interaction

As a college instructor I have grown to appreciate the importance of facilitating diversity in the classroom. I set a goal in each of my classes to bring diversity to every student during the semester. I have found that diversity is appreciated more when students can sympathetically relate to people from different cultures. Helping students to know how it might feel to be from a different culture and to not fit in as they would in their own culture is one way to facilitate a sympathetic experience.

Rationale

It is often easier to view others as weird rather than unique. There are numerous in-class activities that can be used to nurture a sympathetic perspective in students. The one I enjoy the most is what I call, "meet your neighbor." It is most efficiently utilized at the beginning of the semester or at the beginning of a diversity discussion.

Goal

The purpose of this activity is to simulate the development of students' sympathy for people from differing walks of life. Since experience is sometimes the best teacher, this activity sets students up for interaction failure in a simulated cultural interaction. It will provide students with an opportunity to feel what the other person might feel. Students begin to see that other cultures are just as valid as their own. They also see that without careful consideration of cultural differences, embarrassing dead-end interactions will occur.

Laying the groundwork

Preparation for this activity is very simple. Before class, type two culture codes on separate pieces of paper (see box). Copy code on in pink and the other in gold (taken together, pink and gold are race-neutral and culture-neutral colors). Make enough copies so that half of your students get a pink and the other half get a gold culture code. In class, pass out an equal number of pink and gold forms while instructing the students to look only at their own form. Have the students study their culture code instructions.

Action

Let them know that for the next few minutes they will have a new culture (either pink or gold). Instruct them to stand up and meet another student in class who has the opposite culture code. Instructors will probably enjoy watching the students as they attempt to establish cross-cultural communication. After enough time has elapsed (usually five to seven minutes), have the students return to their seats and facilitate a discussion about why things kept going wrong.

Follow-up

At some point, have a student read out loud the gold instructions and another read the pink instructions. There are many concepts that students may learn from this activity and that may come out during the discussion. Be sure to emphasize the cultural influences in the breakdown of communication.

Also stress the idea that all cultures are equally valid and that our own culture may well be as different to others as theirs is to us. Without careful consideration beforehand, intercultural relationships may be halted at first acquaintance. Even though this is in a classroom setting, students will have had at least one experience in meeting people from diverse backgrounds. It is important to emphasize the practical value of these skills in terms of career and interpersonal success.

Culture One

Instructions:

Please introduce yourself to one or more persons from the other group and attempt to get to know them by doing the following:

- Do not shake hands.
- Stand as close to the other person as possible.
- Always address the other person by his/her first name.
- Pat the other person on the back or touch his/her arm frequently.
- Ask only personal questions about family, health, children etc.
- Do not discuss your jobs, business, world events, etc.

Try to be as natural as possible, but DO NOT DEVIATE FROM ABOVE.

Culture Two

Instructions:

Please introduce yourself to one or more persons from the other group and attempt to get to know them by doing the following:

- Shake hands.
- Maintain as much distance as possible between yourself and the person with whom you are speaking.
- Always address the other person by his/her title or last name (never by first name).
- Talk only about weather, business, world politics, etc. (stay away from personal topics).

Try to be as natural as possible, but DO NOT DEVIATE FROM ABOVE.

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OVERHEADS, GRAPHS , CHARTS, PHOTOS

THE THREE MONKEYS 47

All states abridge their citizens' freedoms to hold opinions, to express them, and to travel. Some set the limits wide, some narrow.

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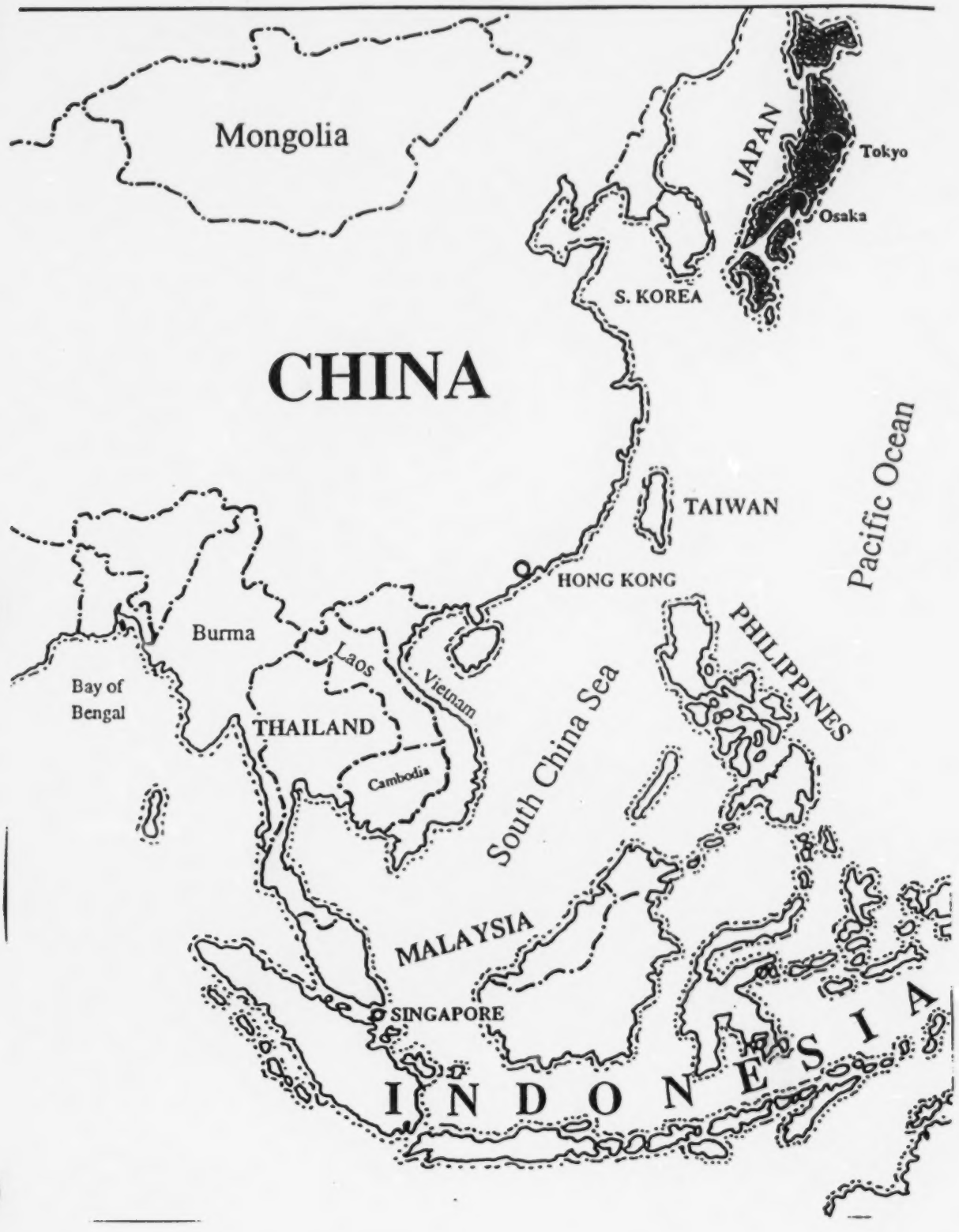
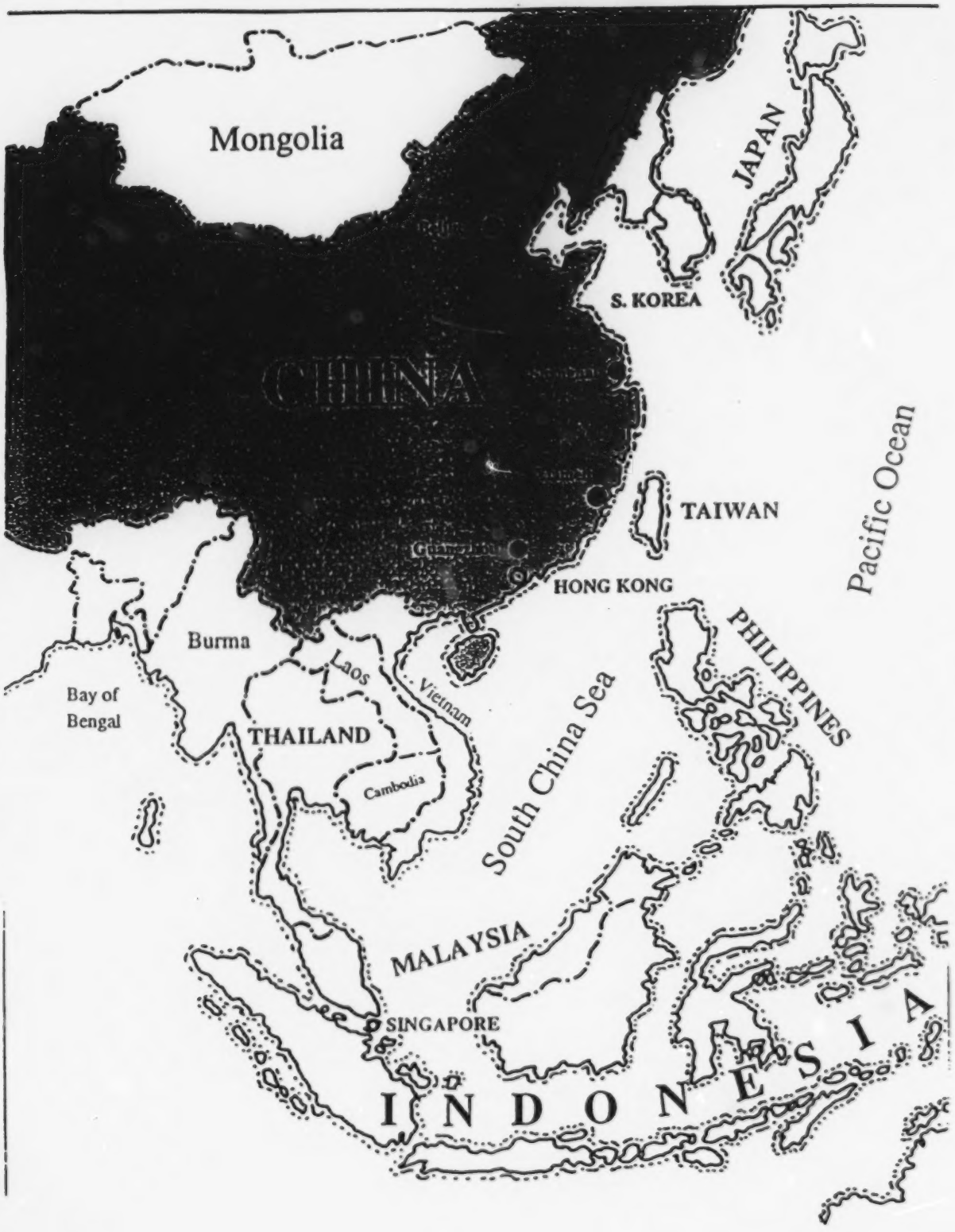
COUNTRY PROFILE: JAPAN



COUNTRY PROFILE: CHINA



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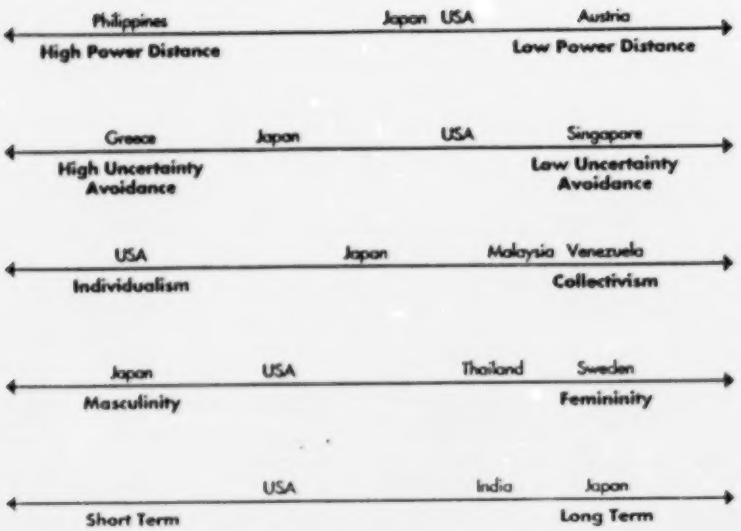

How countries compare on Hofstede's dimensions of national culture.

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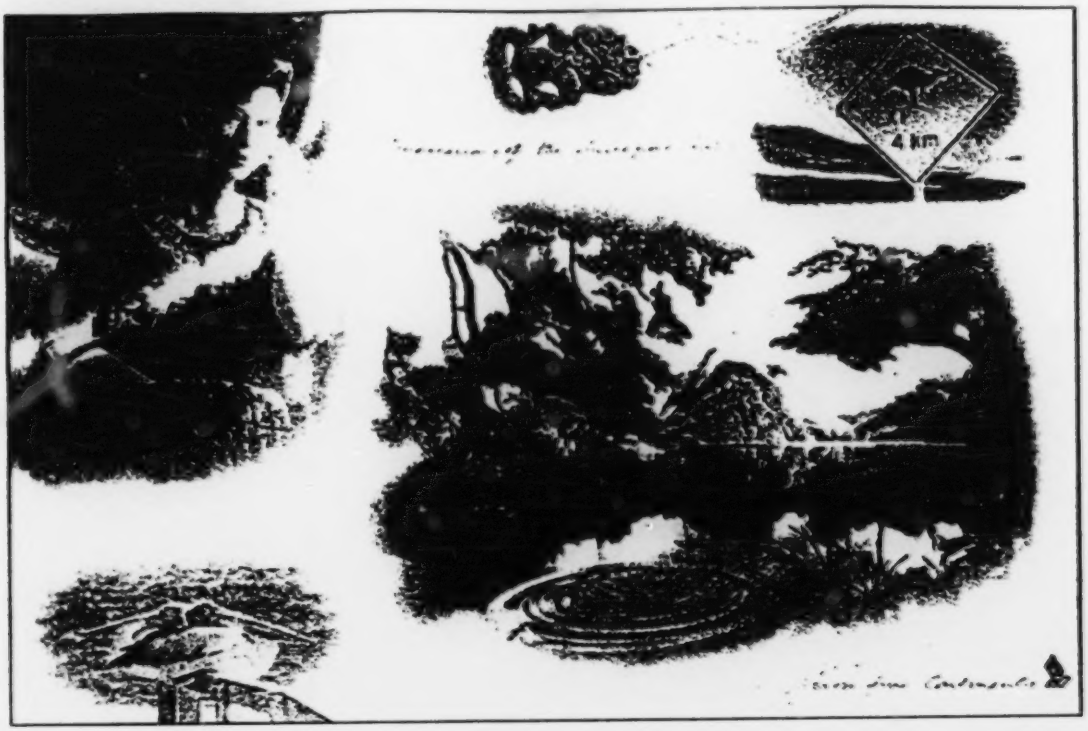

This advertisement for Singapore Airlines illustrates the Asian sense of harmony with nature even in Advertising.

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This advertisement for the Infiniti automobile demonstrates the Asian sense of beauty in nature and simplicity. This campaign was not effective for Infiniti in the United States.

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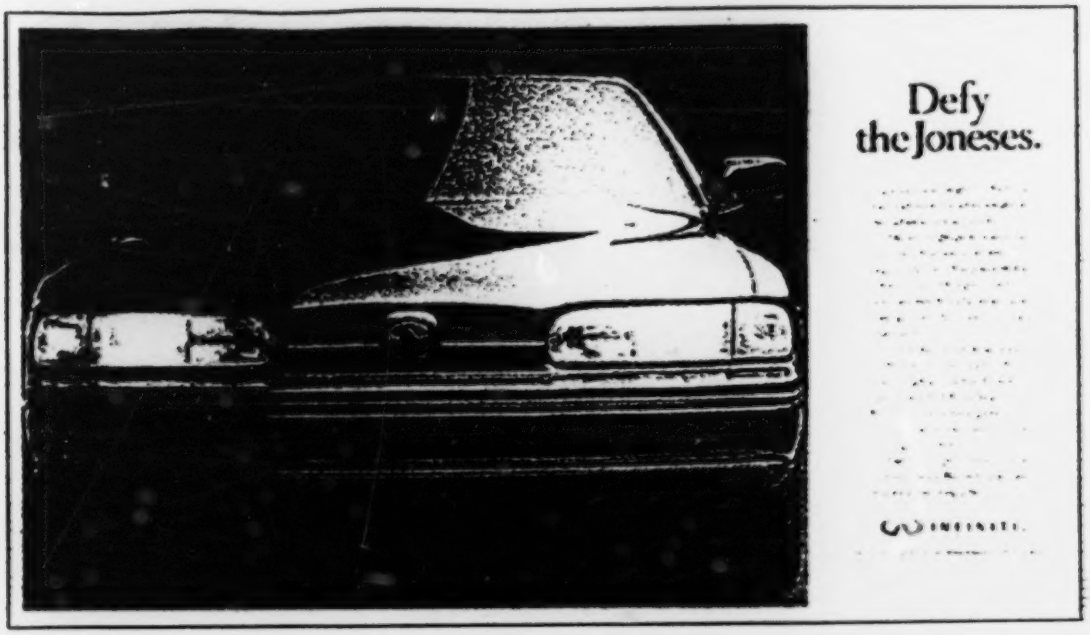

Infiniti changed their advertising focus with the advertisement emphasizing the Western need for individualism.

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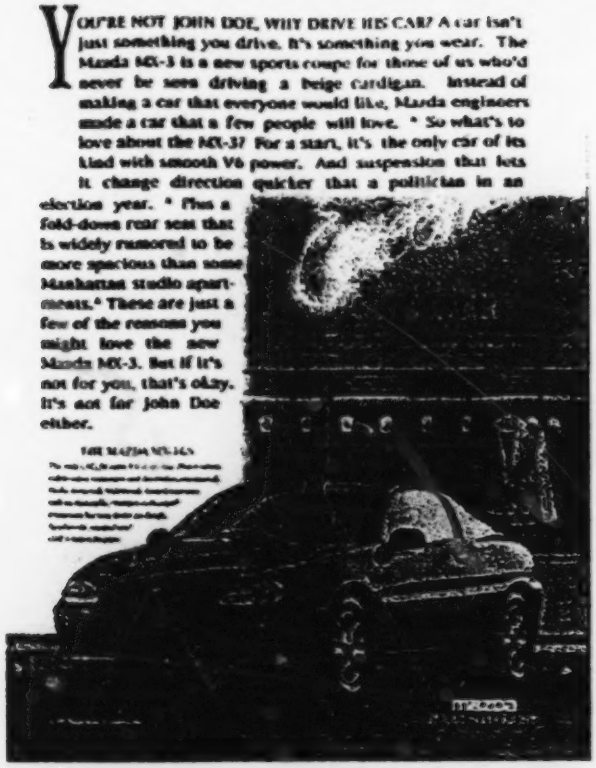
YOU'RE NOT JOHN DOE, WHY DRIVE HIS CAR? A car isn't just something you drive. It's something you wear. The Mazda MX-3 is a new sports coupe for those of us who'd never be seen driving a beige cardigan. Instead of making a car that everyone would like, Mazda engineers made a car that a few people will love. • So what's to love about the MX-3? For a start, it's the only car of its kind with smooth V6 power. And suspension that lets it change direction quicker that a politician in an election year. • Plus a fold-down rear seat that is widely rumored to be more spacious than some Manhattan studio apartments.* These are just a few of the reasons you might love the new Mazda MX-3. But if it's not for you, that's okay. It's not for John Doe either.

This advertisement illustrates the focus on individualism.

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RECONCILING NEUTRAL AND AFFECTIVE CULTURES

Overly neutral or affective (expressive) cultures have problems in doing business with each other. The neutral person is easily accused of being icecold with no heart; the affective person is seen as out of control and inconsistent. When such cultures meet, the first essential is to recognize the differences, and to refrain from making any judgments based on emotions, or the lack of them.

PRACTICAL TIPS FOR DOING BUSINESS IN NEUTRAL AND AFFECTIVE CULTURES

Recognizing the Differences

Neutral	*Affective*
1. Do not reveal what they are thinking or feeling.	1. Reveal thoughts and feelings verbally and nonverbally.
2. May (accidentally) reveal tension in face and posture.	2. Transparency and expressiveness release tensions.
3. Emotions often dammed up; will occasionally explode.	3. Emotions flow easily, effusively, vehemently, and without inhibition.
4. Cool and self-possessed conduct is admired.	4. Heated, vital, animated expressions admired.
5. Physical contact, gesturing, or strong facial expressions often taboo.	5. Touching, gesturing, and strong facial expressions common.
6. Statements often read out in monotone.	6. Statements declaimed fluently and dramatically.

Tips for Doing Business with:

Neutrals (for affectives)	*Affectives (for neutrals)*
1. Ask for time-outs from meetings and negotiations where you can patch each other up and rest between games of poker with the Impassive Ones.	1. Do not be put off your stride wh they create scenes and get histrion take time-outs for sober reflectio and hard assessments.
2. Put as much as you can on paper beforehand.	2. When they are expressing goodwill, respond warmly.
3. Their lack of emotional tone does not mean they are disinterested or bored, only that they do not like to show their hand.	3. Their enthusiasm, readiness to agree, or vehement disagreemer does not mean that they have made up their minds.
4. The entire negotiation is typically focused on the object or proposition being discussed, not so much on you as persons.	4. The entire negotiation is typicall focused on you as persons, not so much on the object or proposition being discussed.

When Managing and Being Managed

Neutrals	*Affectives*
1. Avoid warm, expressive, or enthusiastic behaviors. These are interpreted as lack of control over your feelings and inconsistent with high status.	1. Avoid detached, ambiguous, and cool demeanor. This will be interpreted as negative evaluation, as disdain, dislike, and social distance. You are excluding them from "the family."
2. If you prepare extensively beforehand, you will find it easier to stick to the point, that is, the neutral topics being discussed.	2. If you discover whose work, energy, and enthusiasm has been invested in which projects, you are more likely to appreciate tenacious positions.
3. Look for small cues that the person is pleased or angry, and amplify their importance.	3. Tolerate great surfeits of emotionality without getting intimidated or coerced, and moderate their importance.

PRACTICAL TIPS FOR DOING BUSINESS IN INDIVIDUALIST AND COLLECTIVIST CULTURES

Recognizing the Differences

Individualism	*Collectivism*
1. More frequent use of "I" form.	1. More frequent use of "We" form.
2. Decisions made on the spot by representatives.	2. Decisions referred back by delegate to organization.
3. People ideally achieve alone and assume personal responsibility.	3. People ideally achieve in groups which assume joint responsibility.
4. Vacations taken in pairs, or even alone.	4. Vacations in organized groups or with extended family.

Tips for Doing Business with:

Individualists (for collectivists)	*Collectivists (for individualists)*
1. Prepare for quick decisions and sudden offers not referred to HQ.	1. Show patience for time taken to consent and to consult.
2. Negotiator can commit those who sent him or her and is very reluctant to go back on an undertaking.	2. Negotiator can only agree tentatively and may withdraw an undertaking after consulting with superiors.
3. The toughest negotiations were probably already done within the organization while preparing for the meeting. You have a tough job selling them the solution to this meeting.	3. The toughest negotiations are with the collectivists you face. You must somehow persuade them to cede to you points which the multiple interests in your company demand.
4. Conducting business alone means that this person is respected by his or her company and has its esteem.	4. Conducting business when surrounded by helpers means that this person has high status in his or her company.
5. The aim is to make a quick deal.	5. The aim is to build lasting relationships.

When Managing and Being Managed

Individualists	*Collectivists*
1. Try to adjust individual needs to organizational needs.	1. Seek to integrate personality with authority within the group.
2. Introduce methods of individual incentives like pay-for-performance, individual assessment, MBO.	2. Give attention to esprit de corps, morale, and cohesiveness.
3. Expect job turnover and mobility to be high.	3. Have lower job turnover and mobility.
4. Seek out high performers, heroes, and champions for special praise.	4. Extol the whole group and avoid showing favoritism.
5. Give people the freedom to take individual initiatives.	5. Hold up superordinate goals for all to meet.

PRACTICAL TIPS FOR DOING BUSINESS IN SPECIFIC AND DIFFUSE CULTURES

Recognizing the Differences

Specificity	*Diffuseness*
1. Direct, to the point, purposeful in relating.	1. Indirect, circuitous, seemingly aimless forms of relating.
2. Precise, blunt, definitive, and transparent.	2. Evasive, tactful, ambiguous, even opaque.
3. Principles and consistent moral stands independent of the person being addressed.	3. Highly situational morality depending upon the person and context encountered.

Tips for Doing Business with:

Specific-Oriented (for diffuse individuals)	*Diffuse-Oriented (for specific individuals)*
1. Study the objectives, principles, and numerical targets of the specific organization with which you are dealing.	1. Study the history, background, and future vision of the diffuse organization with which you expect to do business.
2. Be quick, to the point, and efficient.	2. Take time and remember there are many roads to Rome.

Tips for Doing Business with: (concluded)

Specific-Oriented (for diffuse individuals)	*Diffuse-Oriented (for specific individuals)*
3. Structure the meeting with time, intervals, and agendas.	3. Let the meeting flow, occasionally nudging its process.
4. Do not use titles or acknowledge skills that are irrelevant to the issue being discussed.	4. Respect a person's title, age, and background connections, whatever issue is being discussed.
5. Do not be offended by confrontations; they are usually not personal.	5. Do not get impatient when people are indirect or circuitous.

When Managing and Being Managed

Specific-Oriented	*Diffuse-Oriented*
1. Management is the realization of objectives and standards, with rewards attached.	1. Management is a continuously improving process by which quality improves.
2. Private and business agendas are kept separate from each other.	2. Private and business issues interpenetrate.
3. Conflicts of interest are frowned upon.	3. Consider an employee's whole situation before you judge him or her.
4. Clear, precise, and detailed instructions are seen as assuring better compliance, or allowing employees to dissent in clear terms.	4. Ambiguous and vague instructions are seen as allowing subtle and responsive interpretations through which employees can exercise personal judgment.
5. Begin reports with an executive summary.	5. End reports with a concluding overview.

PRACTICAL TIPS FOR DOING BUSINESS IN INTERNAL- AND EXTERNAL-ORIENTED CULTURES

Recognizing the Differences

Internal Control	*External Control*
1. Often dominating attitude bordering on aggressiveness towards environment.	1. Often flexible attitude, willing to compromise and keep the peace.
2. Conflict and resistance means that you have convictions.	2. Harmony and responsiveness, that is, sensibility.
3. Focus is on self, function, own group, and own organization.	3. Focus is on "other," that is, customer, partner, colleague.
4. Discomfort when environment seems out of control or changeable.	4. Comfort with waves, shifts, cycles if these are "natural."

Tips for Doing Business with:

Internally Controlled (for externals)	*Externally Controlled (for internals)*
1. Playing hard ball is legitimate to test the resilience of an opponent.	1. Softness, persistence, politeness, and long, long patience will get rewards.
2. It is most important to win your objective.	2. It is most important to maintain your relationship.
3. Win some, lose some.	3. Win together, lose apart.

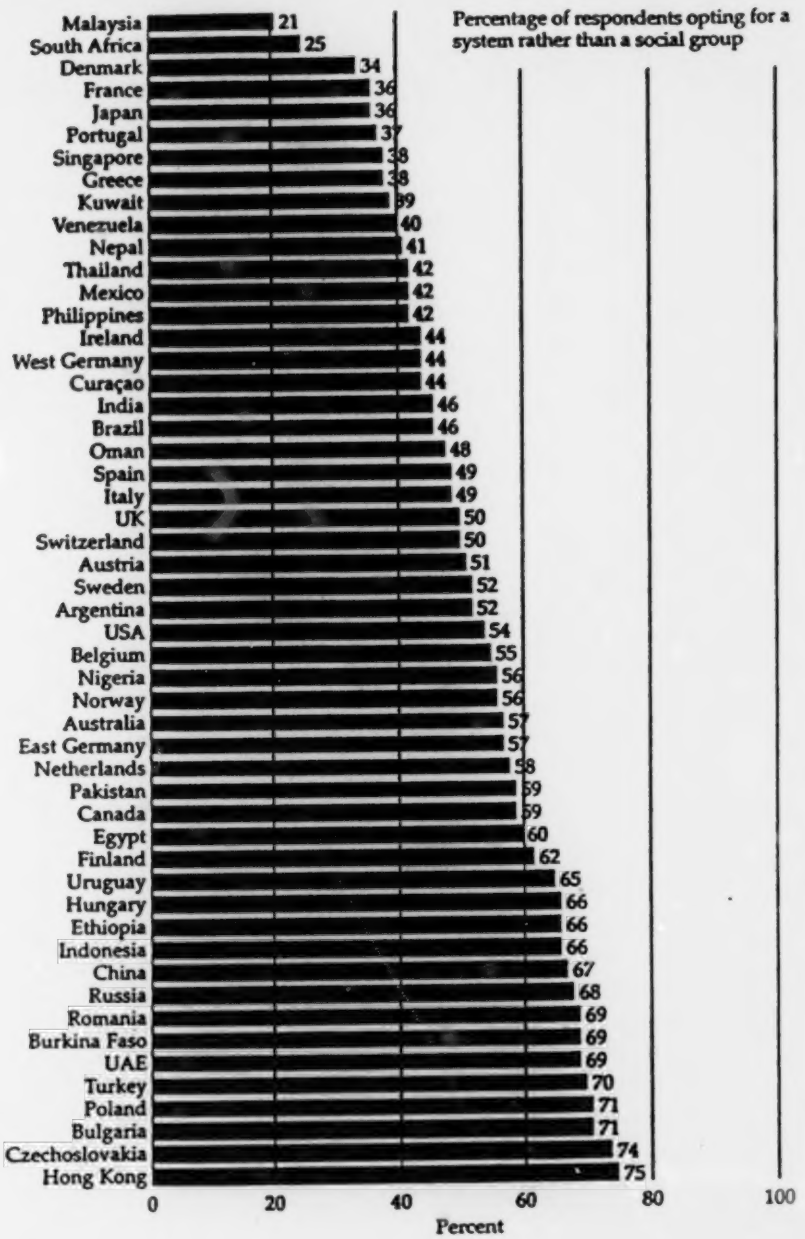
When Managing and Being Managed

Internally Controlled	*Externally Controlled*
1. Get agreement on and ownership of clear objectives.	1. Achieve congruence among various people's goals.
2. Make sure that tangible goals are clearly linked to tangible rewards.	2. Try to reinforce the current directions and facilitate the work of employees.

When Managing and Being Managed (concluded)

Internally Controlled	*Externally Controlled*
3. Discuss disagreements and conflicts openly; these show that everyone is determined.	3. Give people time and opportunities to quietly work through conflicts; these are distressing.
4. Management-by-objectives works if everyone is genuinely committed to directing themselves towards shared objectives and if these persist.	4. Management-by-environments works if everyone is genuinely committed to adapting themselves to fit external demands as these shift.

FIGURE 2–1
Which Kind of Company Is Normal?



In one of the exercises we conduct in our workshops, we ask participants to choose between the following two extreme ways to conceive of a company, asking them which they think is usually true, and which most people in their country would opt for.

A. One way is to see a company as a system designed to perform functions and tasks in an efficient way. People are hired to perform these functions with the help of machines and other equipment. They are paid for the tasks they perform.

B. A second way is to see a company as a group of people working together. They have social relations with other people and with the organization. The functioning is dependent on these relations.

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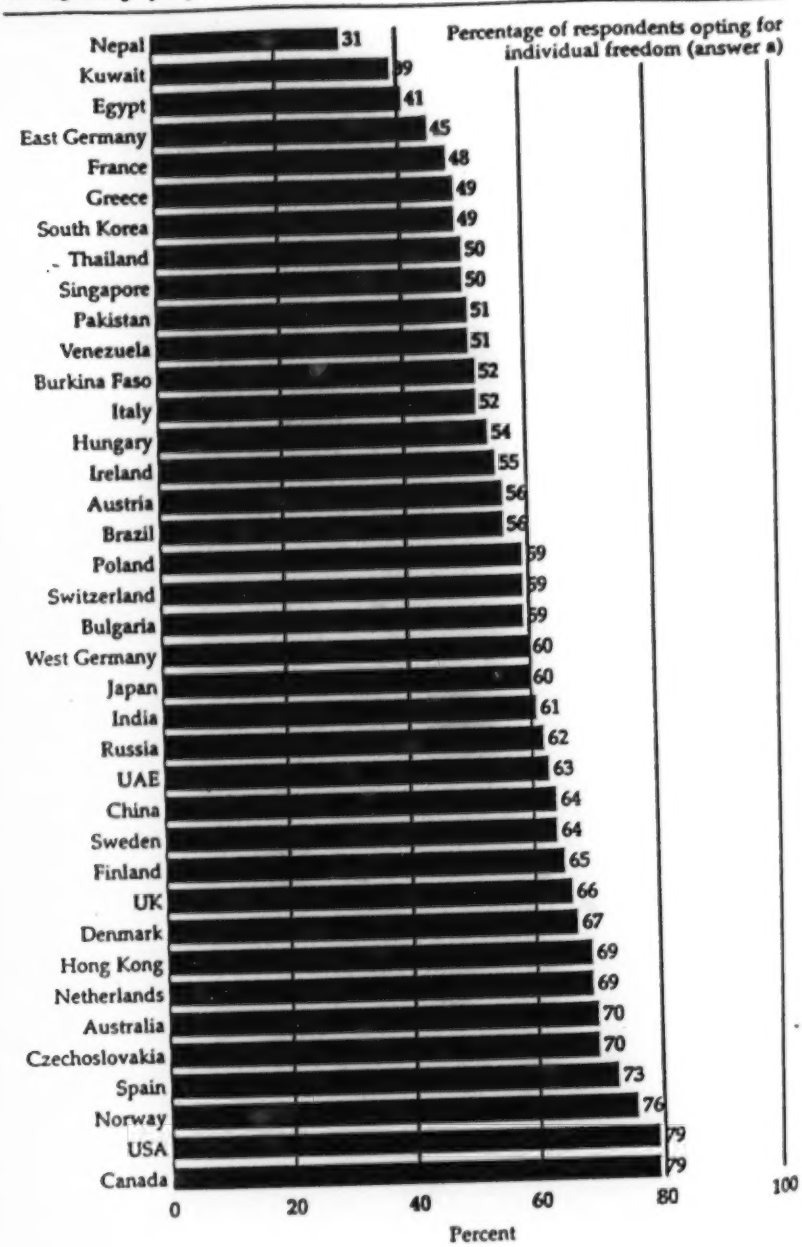
FIGURE 5–1
The Quality of Life



Two people were discussing ways in which individuals could improve the quality of life.

A. One said: "It is obvious that if individuals have as much freedom as possible and the maximum opportunity to develop themselves, the quality of their lives will improve as a result."

B. The other said: "If individuals are continuously taking care of their fellow human beings, the quality of life will improve for everyone, even if it obstructs individual freedom and individual development."

Which of the two ways of reasoning do you think is usually best, A or B?

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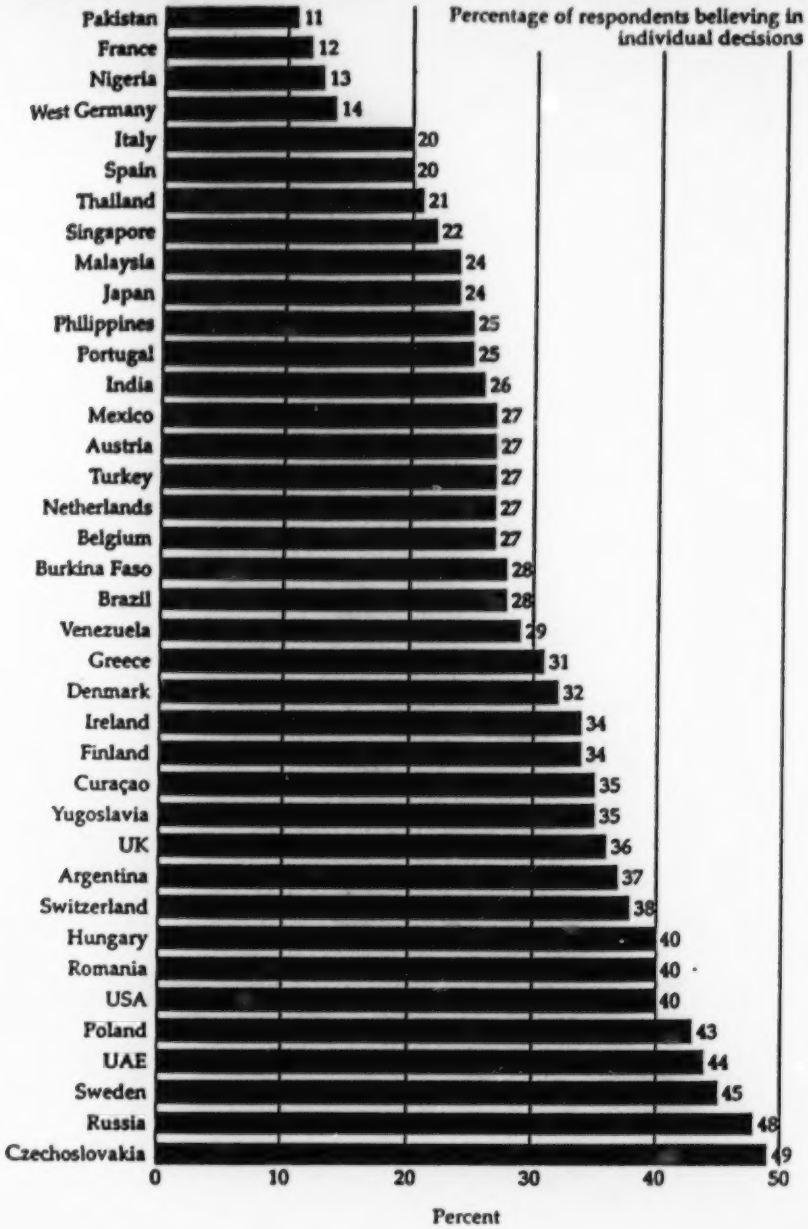
FIGURE 5–2
Two Ways to Work

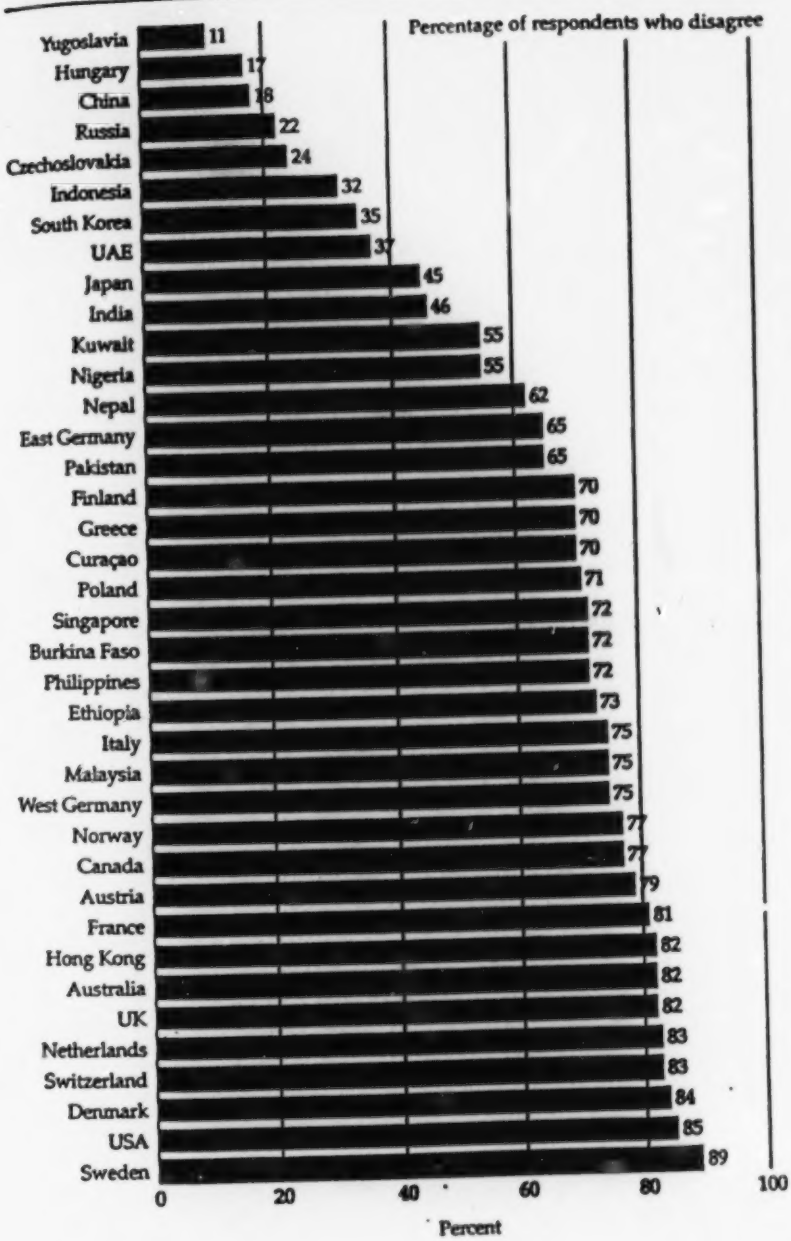


A defect is discovered in one of the installations. It was caused by negligence of one of the members of a team. Responsibility for this mistake can be carried in various ways.

A. The person causing the defect by negligence is the one responsible.
B. Because he or she happens to work in a team, the responsibility should be carried by the group.

Which one of these two ways of taking responsibility do you think is usually the case in your society, A or B?

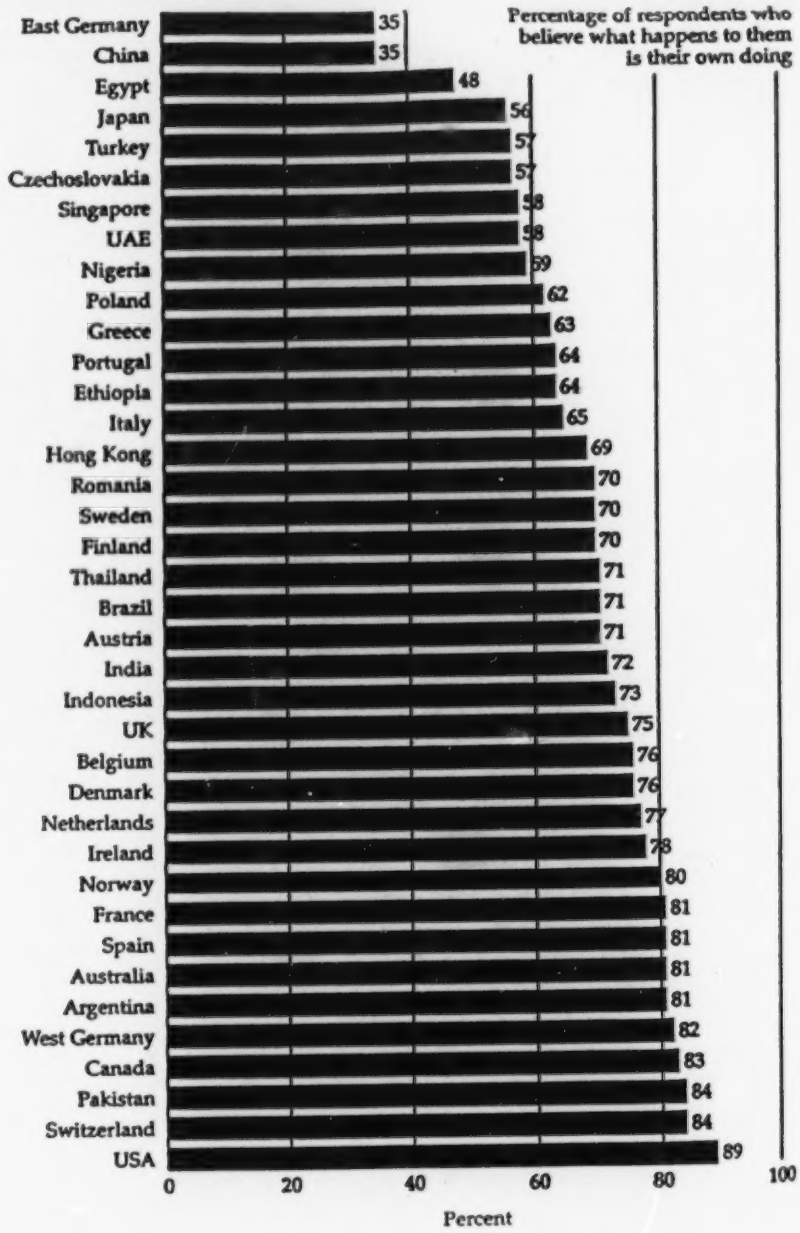
FIGURE 7–6
Should the Company Provide Housing?



A. Some people think a company is usually responsible for the housing of its employees. Therefore, a company has to assist an employee in finding housing.

B. Other people think the responsibility for housing should be carried by the employee alone. It is so much to the good if the company helps.

FIGURE 10–2
The Captains of Their Fate



A. What happens to me is my own doing.

B. Sometimes I feel that I do not have enough control over the directions my life is taking.

SUGGESTED ASSIGNMENTS AND IN -CLASS EXERCISES

ASSESSMENT

CULTURAL ATTITUDES INVENTORY

Instructions

Complete this inventory by circling the number that indicates the extent to which you agree or disagree with each of the following statements.

Strongly Disagree				**Strongly Agree**

1. Meetings are usually run more effectively when they are chaired by a man.
   1 2 3 4 5
2. It is more important for men to have a professional career than it is for women to have a professional career.
   1 2 3 4 5
3. Women do not value recognition and promotion in their work as much as men do.
   1 2 3 4 5
4. Women value working in a friendly atmosphere more than men do.
   1 2 3 4 5
5. Men usually solve problems with logical analysis; women usually solve problems with intuition.
   1 2 3 4 5
6. Solving organizational problems usually requires the active, forcible approach that is typical of men.
   1 2 3 4 5
7. It is preferable for a man to be in a high-level position rather than a woman.
   1 2 3 4 5
8. There are some jobs in which a man can always do better than a woman.
   1 2 3 4 5
9. Women are more concerned with the social aspects of their job than they are with getting ahead.
   1 2 3 4 5
10. An individual should not pursue his or her own goals without considering the welfare of the group.
    1 2 3 4 5
11. It is important for a manager to encourage loyalty and a sense of duty in the group.
    1 2 3 4 5
12. Being accepted by the group is more important than working on your own.
    1 2 3 4 5
13. Individual rewards are not as important as group welfare.
    1 2 3 4 5
14. Group success is more important than individual success.
    1 2 3 4 5
15. It is important to spell out job requirements and instructions in detail so that people always know what they are expected to do.
    1 2 3 4 5
16. Managers expect workers to follow instructions and procedures closely.
    1 2 3 4 5
17. Rules and regulations are important because they inform workers what the organization expects of them.
    1 2 3 4 5
18. Standard operating procedures are helpful to workers on the job.
    1 2 3 4 5
19. Operating instructions are important for workers on the job.
    1 2 3 4 5
20. It is often necessary for a supervisor to emphasize his or her authority and power when dealing with subordinates.
    1 2 3 4 5
21. Managers should be careful not to ask the opinions of subordinates too frequently.
    1 2 3 4 5
22. A manager should avoid socializing with his or her subordinates off the job.
    1 2 3 4 5
23. Subordinates should not disagree with their manager's decisions.
    1 2 3 4 5
24. Managers should not delegate difficult and important tasks to his or her subordinates.
    1 2 3 4 5
25. Managers should make most decisions without consulting subordinates.
    1 2 3 4 5

Interpretation

Each of these scores corresponds to one of Hof-stede's (see Chapter 2) dimensions of national culture: MF = masculinity–femininity; IC = individualism–collectivism; UA = uncertainty avoidance; PD = power distance. His research shows that various "national" cultures of the world score differently on these dimensions. Consider how closely *your* scores may represent *your* national culture. What are the implications of your score for your future work as a manager? Compare yourself to these scores from a sample of United States and Mexican students: MF: U.S. = 2.78 and Mexico = 2.75; IC: U.S. = 2.19 and Mexico = 3.33; UA: U.S. = 3.41 and Mexico = 4.15; PD: U.S. = 1.86 and Mexico = 2.22. Are there any surprises in this comparison?

Source Items are part of a larger instrument developed by Peter W. Dorfman and Jon P. Howell, New Mexico State University. Used by permission. The comparative data are from Stephen P. Robbins, *Management*, 3rd ed. (Englewood Cliffs, NJ: Prentice Hall, 1990), p. 670.

Scoring

Add up your responses to items 1–9 and divide by 9; record the score here |MF = ____|. Add up your response to items 10–14 and divide by 5; record the score here |IC = ____|. Add up your responses to items 15–19 and divide by 5; record the score here |UA = ____|. Add up your responses to items 20–25 and divide by 6; record the score here |PD = ____|.

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ASSESSMENT: WHO'S IN CONTROL?

Instructions

Circle either "a" or "b" to indicate the item you most agree within each pair of the following statements.

1. a. Promotions are earned through hard work and persistence.
   b. Making a lot of money is largely a matter of breaks.

2. a. In my experience I have noticed that there is usually a direct connection between how hard I study and the grades I get.
   b. Many times the reactions of teachers seem haphazard to me.

3. a. The number of divorces indicates that more and more people are not trying to make their marriages work.
   b. Marriage is largely a gamble.

4. a. When I am right I can convince others.
   b. It is silly to think that one can really change another person's basic attitudes.

5. a. In our society an individual's future earning power is dependent upon his or her ability.
   b. Getting promoted is really a matter of being a little luckier than the next guy.

6. a. If one knows how to deal with people, they are really quite easily led.
   b. I have little influence over the way other people behave.

7. a. In my case the grades I make are the results of my own efforts; luck has little or nothing to do with it.
   b. Sometimes I feel that I have little to do with the grades I get.

8. a. People like me can change the course of world affairs if we make ourselves heard.
   b. It is only wishful thinking to believe that one can really influence what happens in society at large.

9. a. I am the master of my fate.
   b. Much of what happens to me is probably a matter of chance.

10. a. Getting along with people is a skill that must be practiced.
    b. It is almost impossible to figure out how to please some people.

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Scoring

Count the number of times you circled the "a" alternative for these items; enter that total here [IC = _____]. Subtract that total from 10; enter that result here [EC = _____].

Interpretation

This instrument offers an impression of your tendency toward an internal locus of control or external locus of control. Persons with a high internal locus of control (IC score above 5) tend to believe they have control over their own destinies. They may be most responsive to opportunities for greater self-control in the workplace. Persons with a high external locus of control (EC score below 5) tend to believe that what happens to them is largely in the hands of external people or forces. They may be less comfortable with self-control and more responsive to external controls in the workplace.

Instructor's Notes

By providing students with insight into their locus of control, this assessment can serve as a valuable tool for increasing their self-awareness. You can supplement your discussion of locus of control with the following summary of key research findings regarding the differences between internals and externals.

Some Ways in Which Internals Differ from Externals

Information processing	Internals make more attempts to acquire information, are less satisfied with the amount of information they possess, and are better at utilizing information.
Job satisfaction	Internals are generally more satisfied, less alienated, less rootless, and there is a stronger job satisfaction/performance relationship for them.
Performance	Internals perform better on learning and problem-solving tasks, when performance leads to valued rewards.
Self-control, risk, and anxiety	Internals exhibit greater self-control, are more cautious, engage in less risky behavior, and are less anxious.
Motivation, expectancies and results	Internals display greater work motivation, see a stronger relationship between what they do and what happens to them, expect that working hard leads to good performance, feel more control over their time.
Response to others	Internals are more independent, more reliant on their own judgement, and less susceptible to the influence of others; they are more likely to accept information on its merit.

(Source: Instrument from Julian P. Rotter, "External Control and Internal Control," *Psychology Today*, June 1971, p. 42. Used by permission).

TEST (for native speakers of English)

In the best tradition of school language primers, we offer native speakers of standard English a test:

Translate the following into overseas English, trying to retain as much as possible of the original message, while accepting some loss of flavor:

1. It can hardly have escaped your attention that our competitors have been getting a jump on us of late.
2. Short of taking him out and shooting him, I don't see how we'll ever be able to ditch him.
3. Far be it from me to stick my nose in, but are you quite sure you're tackling the issue the right way?
4. I wouldn't for a moment want you to think I'm uninterested in what I half-guess you're about to say, but could I get a word in edgeways before you get rolling?
5. You took your time! What kept you?

Answers

1. As you know, our competitors have had an advantage recently.
2. I think it'll be very difficult to remove him. Do you have a gun?
3. I know that you're more experienced than me in this field, but could I suggest that you look at the options again?
4. Can I say something before you begin?
5. At last! Where were you?

Culture Check

Here is a list of 20 words.

If you have a companion to help you, ask him or her to read them out to you clearly, without any particular emphasis, at about one word per second. If you are alone, try to simulate the effect by running your eye slowly down the page, lingering for a second or so on each word.

Soft
Catch
Grape
Four
Losing
Trend
Partly
Stamina
Gentle
Backwards
Skill
Metric
Score
Breakfast
Then
Likely
Rest
Aptitude
Chair
Push

Now turn to the section marked "Test" overleaf.

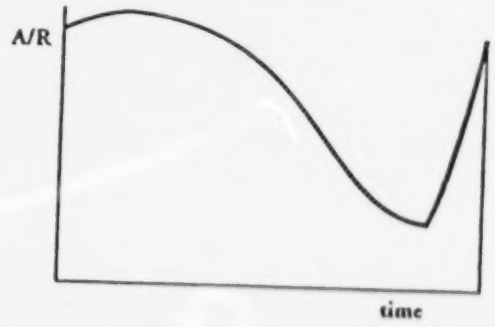
TEST

In this space, write down as many of the 20 words as you can remember.

No time limit—continue until you have dried up. Now check back to the original list to see which words you forgot.

As an individual, you are a small statistical sample, but you will probably find that you did better on the words near the beginning of the list, and towards the end. (This is if you are European or North American by background: otherwise, *see* "Local variation" on the next page.

The attention/retention curve for a typical audience (either of one or of a hundred) looks like this:

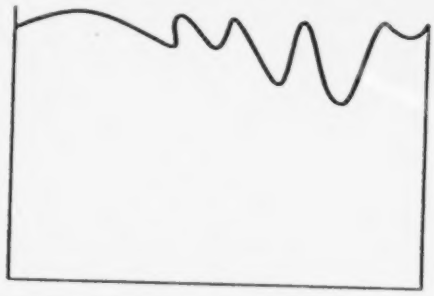


In practical terms this means that your listeners pay attention to what they are told at the beginning of a session, doze off a little after that (as every public speaker knows), and perk up again when the end is in sight.

As for retention, we meet here evidence of what psychologists call "primacy" and "recency". These factors affect memory over much longer time scales, too. When we cram for examinations at the end of a three-year course, we find the first term's work (primacy) and yesterday's input (recency) much fresher in our minds than the material we encountered a year ago.

The test you just ran on yourself lasted about 20 seconds. Twenty minutes is probably the longest useful time for a presentation.

Nobody wants the after-lunch slot on a day-long seminar. If you are stuck with it, change something: the lighting, the layout of the chairs, your visual aids. So one creates a series of peaks:



Local variation: Japan

Our Canning colleagues in Tokyo ran the 20-word exercise many times on Japanese business executives. The resulting curve averaged out like this:

The overall pattern is virtually the reverse of what we have been seeing from Westerners.

An English management consultant who had sat through many Japanese presentations offered these explanations:

> The first thing to mention is the stress laid on rote learning in Japanese education. They do have very good aural retention. So that might give us a flat curve: they don't draw blanks the way we do.
>
> Now the peak in the middle—or rather the relatively poor performance at the two ends: what you get at these stages of a Japanese presentation is a lot of formalities with no real message. They like to spend the first part giving credit to everyone who has contributed—"*nemauwashi** has happened"—and establishing their own right to be up there speaking. Everybody nods politely, but they're saving their "active listening" for the vital middle period—the meaty bit. Once that's over, it's back to the formalities...

Japanese friends were amazed at the Western curve: surely intelligent people can concentrate better than that?

---

*Nemawashi: the process of consultation so essential to Japanese decision making.

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Culture Check

Imagine you are going to meet someone from another country—preferably a country with which you have had some dealings. When that person talks to compatriots about *your* culture, what generalizations might he or she voice? "I've always said about the ...s, you know, that they are very..." or "One thing you must remember about the ...s is that they almost always...".

Jot down half-a-dozen impressions that you think the citizen of that country has about you and the people of your country.

1.

2.

3.

4.

5.

6.

There will probably be no absolutes on your list. The generalizations that your imaginary foreigner expresses about you and your compatriots will be relative. If your counterpart says that you are a mean or a generous people, this probably means that you are more mean or generous than his or her own compatriots.

Here are the results of running this exercise with a mixed group from the United States, Germany, Britain and Hungary. The participants were split into four mono-cultural groups to discuss the way they thought the other cultures perceived them.

Each group was asked to report back with six characteristics—adjectives or short phrases.

The American list:

- arrogant
- enterprising

The German list:

- punctual
- meticulous

- superficial
- money-oriented
- open
- uncultured.

The British list:

- phlegmatic
- imperialist (they were the senior partners)
- isolationist
- principled
- tenacious
- drily humorous.

- neat
- stubborn
- hard-working
- fond of beer and sauerkraut.

The Hungarian list:

- diligent
- proud
- gifted
- pessimistic
- undisciplined
- born victims.

With these 24 epithets pinned to the wall, the questions to be dealt with were: "Have we got each other, or ourselves, wrong in this or that respect?"; "Is this or that attitude actually an asset to the team?"; "Should we/can we modify this or that aspect of our behavior in the name of harmony?"

Then they started to build their team spirit.

"Flight" and "fight" follow the same channels in the human nervous system. Defensiveness switches over all too easily into aggression. Then communication can break down altogether.

As Others See Us

When we first went out into the world as adolescents, the burning question was "What do other people think of me?" The classic example is the 15-year-old boy or girl at a party, entirely convinced that all eyes are fixed on her outfit, or the enormous pimple on his nose.

might modify your own behavior accordingly—improving your chances of reaching your business goals.

Building flexible models upward from *facts*, through *attitudes*, to *behavior* is more useful than accumulating random "handy hints" regarding business cultures. It helps to know that a Japanese business card should be received in both hands and venerated, or that your Arab business partner might be offended if you pass something with your left hand. But such snippets of good manners mean a lot more if they can be set in a context.

The Story of Lucy

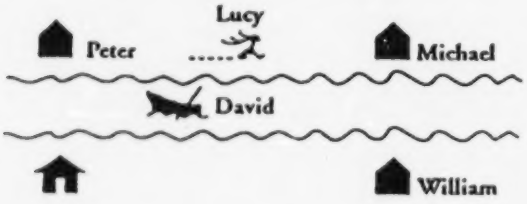
There is a river. Beside the river, in a little house, lives Lucy. Lucy is in love with Peter (who lives on the other side of the river), and she doesn't know what to do. So she goes to her friend William and asks him.

"Perfectly simple," says William. "If you love him, go and tell him."
"OK", says Lucy, and she goes to the river, where she meets David, the boatman. "Please will you take me across the river, David?"

"Of course. But what time do you want to come back again?"
"I don't really know", Lucy confesses. "Why do you ask?" David explains that he has a contract downriver at six o'clock, and that if Lucy wants a ferry home, she must be at the landing stage before that time.

They cross the river. Lucy goes to Peter's house and knocks on door. Peter opens the door. Lucy says, "Peter, I love you." Peter can- resist the temptation. He makes love to Lucy.

When she recovers from her delirium, Lucy becomes upset at the ught that Peter has taken advantage of her. She runs out of the door, ng beside the river, and to the house where Michael lives.



w, Michael is in love with Lucy, so when he opens the door and s her there so clearly troubled, he says, "Come in, you poor girl, and me all about it." Lucy goes in and tells him all about it. Michael be- nes upset in his turn, and asks Lucy to leave.

She arrives at the landing stage at one minute past six. David has t off, and is rowing away from the jetty. Lucy calls to him, "David, ase will you take me home?" David points to his watch. "I'm sorry, y. I warned you." And he rows away downstream.

Lucy decides to swim home. In midstream, she drowns.

: are five characters in this story. Your job now is to rank them, o five, in descending order of responsibility for the death of In other words, if you think Michael is the most responsible, him in slot 1, and work your way down.

_____

_____

_____

_____

_____

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Commentary

This is an old Victorian smoking-room exercise—the sort of thing gentlemen diverted themselves with over brandy and cigars when the ladies had withdrawn after dinner.

The key to the game is primitive, and bears little relation to any modern psychological theory. Thus warned, read on.

Each of the five characters in the story represents a human quality. The order in which you rank them reflects the importance that you attach to each of those qualities. The lower on the scale of responsibility, the more important that characteristic is to you. If you blame character X for Lucy's death, you are saying that you despise or reject his motives.

Cast in order of appearance:

Lucy	represents	*Love;*
William	represents	*Wisdom;*
David	represents	*Duty;*
Peter	represents	*Passion;*
Michael	represents	*Morality* (or so the Victorians felt. Why do you think he kicked Lucy out? Your interpretation reflects your culture.)

So, according to the rules of the game, if you decided on the ranking:

William
Peter
Lucy
Michael
David

you attach little importance to wisdom and a great deal to duty.

Of course, you project a lot into the story as you read it: How old was Lucy in your mind's eye? Was the river a stream with ducks on it, or an icy torrent? When she called out to David, was she pleading with tears in her eyes?—We never said so.

Cross-Cultural Interpretation

Ponder for a moment how cultural background might affect a person's responses to the sad tale of Lucy.

We have run this exercise many times on training courses, with groups of mixed nationality. On one notable occasion, the participants in the test were nine Swedes and three Venezuelans, all working for the same company, whose headquarters is in Stockholm. The Scandinavians (men and women) unanimously placed Lucy at the head of the list, while the South Americans all had her at the foot ("But poor little Lucy!").

And the same spread was true in Italy, where none of the Neapolitans in the group could see Loving Lucy as anything more than a helpless victim, to the bemusement of their Milanese colleagues—who agreed with each other that she should have shown more sense, and deserved her fate.

Similarly, David (Duty) is usually placed high on the list by Latins ("For a lousy contract he condemns a beautiful girl to death!"). The classic German response is that he had a job to do, that he gave Lucy fair warning, and that he made the right decision in the circumstances. ("*Ordnung muss sein*"). Yet within Germany, there is likely to be disagreement between, say, a young Bavarian and an older Prussian.

Some say, when asked to allocate responsibility for Lucy's death, that there is simply not enough evidence to go on. (Perhaps you reacted that way yourself.) This shortage of data often leads to what we call "The Lawyer's Answer", placing Lucy herself first (she was alone when she died), followed by David (the last to see her before the drowning), and then Michael, Peter, and William (in reverse order of appearance in the story as told). In our experience, the Cartesian-minded French person is likely to choose this option.

William rarely gets the blame: few people say "It was his fault—he started it all." There was a Swiss-German once who guessed that the rest of the group would place Lucy first for what he considered to be liberal/feminist reasons. He succeeded in provoking them by blaming William above all, on the grounds that "he missed his opportunity".

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RESEARCH PROJECT

DIVERSITY LESSONS FROM PROGRESSIVE EMPLOYERS

***Workforce* 2000** and related reports document growing diversity in the American workforce. Managers and employers are being urged to recognize diversity and deal positively with it. But "glass ceilings" may limit advancement opportunities for females, African Americans, and other minorities in many settings.

Question What are the facts? How well are we doing in dealing with workforce diversity? Are American employers making real progress, or is diversity valued only in a few companies that get good publicity for their efforts?

Use the library and other research sources at your disposal to complete and submit a written report addressing this question. Specific topics for consideration might include:

- Case studies of employers reported as having strong diversity programs. What do they have in common? What do they do differently? Is there a basic "model" that could be followed by managers in other settings?
- Investigation of diversity in specific respect to how well people of different racial, ethnic, gender, and generational groups work together. What do we know about this, if anything? What are the common problems, if any? What concerns do managers and workers have?
- Analysis of survey reports on how the "glass ceiling" may affect the careers of women and minorities in various occupational settings. Get specific data, analyze them, and develop the implications. Prepare a report that summarizes your research.
- A critical look at the substance of diversity training programs. What do these programs try to accomplish, and how? Are they working or not, and how do we know? Is there a good model for diversity training that may be used by others?
- Look at where we go from here. What diversity issues lie ahead to be successfully mastered by the *new* managers of tomorrow?